THE DRUG WAR BOND ACT OF 1989

HEARING

BEFORE THE

COMMITTEE ON WAYS AND MEANS
HOUSE OF REPRESENTATIVES

ONE HUNDRED FIRST CONGRESS

SECOND SESSION

ON

H.R. 2972

TO AMEND TITLE 31, UNITED STATES CODE, TO INCREASE BOTH CITIZEN PARTICIPATION IN AND FUNDING FOR THE WAR ON DRUGS BY DIRECTING THE SECRETARY OF THE TREASURY TO ISSUE DRUG WAR BONDS, AND FOR OTHER PURPOSES

APRIL 25, 1990

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THE DRUG WAR BOND ACT OF 1989

WEDNESDAY, APRIL 25, 1990

HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,
Washington, D.C.

The committee met, pursuant to notice, at 9:37 a.m., in room 1100, Longworth House Office Building, Hon. Dan Rostenkowski (chairman of the committee) presiding.

[The press release announcing the hearing, and a copy of the bill, H.R. 2972, follow:]

FOR IMMEDIATE RELEASE
WEDNESDAY, MARCH 21, 1990

PRESS RELEASE #27
COMMITTEE ON WAYS AND MEANS
U.S. HOUSE OF REPRESENTATIVES
1102 LONGWORTH BUILDING
WASHINGTON, D.C. 20515
TELEPHONE: (202) 225-1721

THE HONORABLE DAN ROSTENKOWSKI (D., ILL.), CHAIRMAN, COMMITTEE ON WAYS AND MEANS, U.S. HOUSE OF REPRESENTATIVES, ANNOUNCES A PUBLIC HEARING ON H.R. 2972, "THE DRUG WAR BOND ACT OF 1989"

The Honorable Dan Rostenkowski (D., Ill.), Chairman of the Committee on Ways and Means, U.S. House of Representatives, today announced that the Committee will hold a public hearing on H.R. 2972, the "Drug War Bond Act of 1989," introduced by Congressman Jerry Lewis (R., Calif.), et al. The hearing will be held on Wednesday, April 25, 1990, beginning at 9:30 a.m., in the main Committee hearing room, 1100 Longworth House Office Building.

In announcing this hearing, Chairman Rostenkowski stated: "The Drug War Bond Act is a serious effort to address a serious problem. Squabbling and slogans have frustrated efforts to balance the budget and find ways to pay for critical problems like the war on drugs. The best thing we can do for the country is to balance the budget and finance our nation's critical needs, such as the war on drugs, on a 'pay-as-you-go' basis. This hearing will provide the Committee with the opportunity to study a creative approach to financing solutions to a critical issue confronting Congress and the nation."

The Drug War Bond Act of 1989 would permit the Treasury to finance up to $4 billion of drug war bonds. Interest on the bonds would be exempt from Federal taxation. Proceeds from the sale of the bonds would finance a comprehensive effort to combat the sale and use of illicit drugs, including the construction and maintenance of Federal prisons, enhanced law enforcement, funds to supplement State and local programs, education, rehabilitation, and demonstration programs undertaking experimental efforts in correction, prevention and counseling with respect to drugs.

The Committee will receive testimony from the Department of the Treasury and public witnesses.

DETAILS FOR SUBMISSION OF REQUESTS TO BE HEARD:

Individuals and organizations interested in presenting oral testimony before the Committee must submit their requests to be heard by telephone to Harriett Lawler or Diane Kirkland [(202) 225-1721] no later than Thursday, April 12, 1990, to be followed by a formal written request to Robert J. Leonard, Chief Counsel, Committee on Ways and Means, U.S. House of Representatives, 1102 Longworth House Office Building, Washington, D.C. 20515. The Committee staff will notify by telephone those scheduled to appear as soon as possible after the filing deadline. Any questions concerning a scheduled appearance should be directed to the Committee [(202) 225-1721].

Persons and organizations having a common position are urged to make every effort to designate one spokesperson to represent them in order for the Committee to hear as many points of view as possible. Time for oral presentations will be strictly limited with the understanding that a more detailed statement may be included in the printed record of the hearing (see formatting requirements below). This process will afford more time for members to question witnesses. In addition, witnesses may be grouped as panelists with strict time limitations for each panelist.

(MORE)

In order to assure the most productive use of the limited amount of time available to question hearing witnesses, all witnesses scheduled to appear before the Committee are required to submit 300 copies of their prepared statements to the Committee office, 1102 Longworth House Office Building, at least 24 hours in advance of their scheduled appearance. Failure to comply with this requirement may result in the witness being denied the opportunity to testify in person.

WRITTEN STATEMENTS IN LIEU OF PERSONAL APPEARANCE:

Persons submitting written statements for the printed record of the hearing should submit at least six (6) copies by the close of business, Wednesday, May 9, 1990, to Robert J. Leonard, Chief Counsel, Committee on Ways and Means, U.S. House of Representatives, 1102 Longworth House Office Building, Washington, D.C. 20515. If those filing written statements for the record of the printed hearing wish to have their statements distributed to the press and the interested public, they may provide 200 additional copies for this purpose to the Committee office, 1102 Longworth House Office Building, before the hearing begins.

FORMATTING REQUIREMENTS:

Each statement presented for printing to the Committee by a witness, any written statement or exhibit submitted for the printed record or any written comments in response to a request for written comments must conform to the guidelines listed below. Any statement or exhibit not in compliance with these guidelines will **not** be printed, but will be maintained in the Committee files for review and use by the Committee.

1. All statements and any accompanying exhibits for printing must be typed in single space on legal-size paper and may not exceed a total of 10 pages.
2. Copies of whole documents submitted as exhibit material will not be accepted for printing. Instead, exhibit material should be referenced and quoted or paraphrased. All exhibit material not meeting these specifications will be maintained in the Committee files for review and use by the Committee.
3. Statements must contain the name and capacity in which the witness will appear or, for written comments, the name and capacity of the person submitting the statement, as well as any clients or persons, or any organization for whom the witness appears or for whom the statement is submitted.
4. A supplemental sheet must accompany each statement listing the name, full address, a telephone number where the witness or the designated representative may be reached and a topical outline or summary of the comments and recommendations in the full statement. This supplemental sheet will not be included in the printed record.

The above restrictions and limitations apply only to material being submitted for printing. Statements and exhibits or supplementary material submitted solely for distribution to the Members, the press and public during the course of a public hearing, may be submitted in other forms.

I

101ST CONGRESS
1ST SESSION

H. R. 2972

To amend title 31, United States Code, to increase both citizen participation in and funding for the war on drugs by directing the Secretary of the Treasury to issue Drug War Bonds, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 21, 1989

Mr. LEWIS of California (for himself, Mr. CAMPBELL of California, Mr. MADIGAN, Mr. EMERSON, Mr. GINGRICH, Mr. WELDON, Mr. LAGOMARSINO, Mr. GILMAN, Mr. SHAW, Mr. MICHEL, Mr. HASTERT, Mr. DOUGLAS, Mr. MCCANDLESS, Mr. BAKER, Mr. DREIER of California, Mr. HERGER, Mr. COUGHLIN, Mr. LOWERY of California, Mr. MCEWEN, Mr. VANDER JAGT, Mr. MCCOLLUM, Mr. EDWARDS of Oklahoma, and Mr. WEBER) introduced the following bill; which was referred jointly to the Committees on Ways and Means, the Judiciary, Education and Labor, Government Operations, and Rules

---

A BILL

To amend title 31, United States Code, to increase both citizen participation in and funding for the war on drugs by directing the Secretary of the Treasury to issue Drug War Bonds, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Drug War Bond Act of 1989".

★

SEC. 2. ISSUANCE OF DRUG WAR BONDS.

Subchapter I of chapter 31 of title 31, United States Code, is amended by adding at the end thereof the following new section:

"§ 3114. Drug War Bonds

"(a) ISSUANCE.—The Secretary of the Treasury shall—

"(1) issue Drug War Bonds of the United States Government, and

"(2) buy, redeem, and pay interest on such bonds.

"(b) LIMITATIONS.—

"(1) The face amount of obligations issued under subsection (a) shall not exceed $4,000,000,000.

"(2) The Secretary of the Treasury shall not issue Drug War Bonds after the 3-year period beginning on the date of the enactment of this section, unless Congress reauthorizes the issuance of such bonds.

"(c) METHODS OF ISSUANCE.—Drug War Bonds may be issued on an interest-bearing basis, on a discount basis, or on an interest-bearing and discount basis.

"(d) INVESTMENT YIELD.—

"(1) With the approval of the President, and except as provided in paragraph (2), the Secretary may—

"(A) fix the investment yield for Drug War Bonds, and

"(B) change the investment yield on an outstanding Drug War Bond, except that the yield on a Drug War Bond for a period held may not be decreased below the minimum yield for the period guaranteed on the date of issue.

"(2) The investment yield on a Drug War Bond shall be at least 4 percent a year compounded semiannually beginning after the date of issue of the bond and ending on the last day of the month before the date of redemption.

"(e) MATURITY.—A Drug War Bond shall mature not more than 12 years from the date of issue.

"(f) MISCELLANEOUS.—The Secretary of the Treasury shall prescribe for Drug War Bonds—

"(1) the form and amount of an issue,

"(2) the way in which the bonds will be issued,

"(3) the conditions (including restrictions on transfer) to which the bonds will be subject,

"(4) conditions governing redemption of the bonds,

"(5) the sales price and denominations of the bonds, and

"(6) a way to evidence payments for or on account of the bonds.

"(g) PARTICIPATION BY INDIVIDUALS.—In prescribing terms and conditions under subsection (f) for the issuance of Drug War Bonds, the Secretary of the Treasury shall seek to maximize the number of individual purchasers of such bonds.

"(h) DRUG WAR STAMPS.—The Secretary of the Treasury, under such regulations and upon such terms and conditions as he may prescribe, may—

"(1) issue, or cause to be issued, stamps, or may provide any other means to evidence payments for or on account of Drug War Bonds,

"(2) provide for the exchange of such stamps for such bonds, and

"(3) solicit private contributions to offset the administrative costs of issuing such stamps.

"(i) RECOGNITION OF BOND PURCHASERS.—The Secretary of the Treasury shall prescribe a method of recognizing the patriotic participation of purchasers of Drug War Bonds in the war on drugs. Such recognition may consist of the distribution of bumper stickers, window decals, or similar items to such purchasers.

SEC. 3. EXEMPTION OF INTEREST ON DRUG WAR BONDS.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by redesignating section 136 as section 137 and by inserting after section 135 the following new section:

"SEC. 136. INTEREST ON DRUG WAR BONDS.

"(a) IN GENERAL.—Gross income does not include any amount received by an individual during the taxable year as interest on a Drug War Bond.

"(b) DRUG WAR BOND DEFINED.—For purposes of subsection (a), the term 'Drug War Bond' means a bond issued in accordance with section 3114 of title 31, United States Code."

(b) CLERICAL AMENDMENT.—The table of sections for such part is amended by striking the last item and inserting the following new items:

"Sec. 136. Interest on Drug War Bonds.
"Sec. 137. Cross references to other Acts."

(c) APPLICABILITY.—The amendments made by subsections (a) and (b) shall apply to taxable years ending after December 31, 1989.

SEC. 4. CONTRIBUTIONS TO WAR ON DRUGS TRUST FUND.

(a) IN GENERAL.—Subchapter A of chapter 61 of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new part:

"PART IX—DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS TO WAR ON DRUGS TRUST FUND

"Sec. 6097. Designation.

"SEC. 6097. DESIGNATION.

"(a) IN GENERAL.—With respect to each taxpayer's return for the taxable year of the tax imposed by chapter 1, such taxpayer may designate that—

"(1) a specified portion (not less than $1) of any overpayment of tax for such taxable year, and

"(2) any cash contribution which the taxpayer includes with such return,

shall be transferred to the War on Drugs Trust Fund.

"(b) MANNER AND TIME OF DESIGNATION.—A designation under subsection (a) may be made with respect to any taxable year only at the time of filing the return of the tax imposed under chapter 1 for such taxable year. Such designation shall be made on the 1st page of the return.

"(c) OVERPAYMENTS TREATED AS REFUNDED.—For purposes of this title, any overpayment of tax designated under subsection (a) shall be treated as having been refunded to the taxpayer as of the last date prescribed for filing the return of tax imposed by subtitle A (determined without regard to extensions) or, if later, the date the return is filed."

(b) CLERICAL AMENDMENT.—The table of parts for subchapter A of chapter 61 of such Code is amended by adding at the end thereof the following new item:

"Part IX. Designation of overpayments and contributions to War on Drugs Trust Fund."

(c) APPLICABILITY.—The amendments made by this section shall apply to taxable years beginning after December 31, 1989, but shall not apply to taxable years beginning after the date on which the final Drug War Bond issued pursuant to this Act reaches final maturity.

SEC. 5. CONTRIBUTIONS TO WAR ON DRUGS TRUST FUND FROM ASSETS FORFEITURE FUND.

Section 524(c)(1) of title 28, United States Code, is amended—

(1) by redesignating subparagraph (H) as subparagraph (I), and

(2) by inserting after subparagraph (G) the following new subparagraph:

"(H) for making contributions to the War on Drugs Trust Fund, as established in section 9511 of subchapter A of chapter 98 of the Internal Revenue Code of 1986."

SEC. 6. ESTABLISHMENT OF WAR ON DRUGS TRUST FUND.

(a) IN GENERAL.—Subchapter A of chapter 98 of the Internal Revenue Code of 1986 (relating to trust fund code) is amended by adding at the end thereof the following new section:

"SEC. 9511. WAR ON DRUGS TRUST FUND.

"(a) CREATION OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known

as the 'War on Drugs Trust Fund', consisting of such amounts as may be appropriated or credited to the War on Drugs Trust Fund as provided in this section or section 9602(b).

"(b) TRANSFER OF FUNDS TO WAR ON DRUGS TRUST FUND.—There is hereby appropriated to the War on Drugs Trust Fund—

"(1) amounts equivalent to the amounts designated under section 6097, and

"(2) proceeds from the sale of Drug War Bonds under section 3114 of title 31, United States Code.

"(c) EXPENDITURES FROM TRUST FUND.—Amounts in the War on Drugs Trust Fund, shall be available—

"(1) to the Secretary of the Treasury—

"(A) for carrying out section 3114 of title 31, United States Code,

"(B) for paying the administrative expenses of the Department of the Treasury directly allocable to—

"(i) modifying the individual income tax return forms to carry out section 6097,

"(ii) carrying out this chapter with respect to such Fund, and

"(iii) processing amounts received under section 6097 and transferring such amounts to such Fund, and

"(2) to the President for providing funds, after consultation with the Director of National Drug Control Policy—

"(A) for the construction of Federal prison buildings and facilities to be made available in part for housing prisoners of a State in exchange for a per diem fee to be paid by such State in an amount based upon the costs of maintaining such prisoners as well as other costs,

"(B) for carrying out recommendations of the National Advisory Commission on Law Enforcement with respect to the salaries and expenses of—

"(i) the Offices of the United States Attorneys,

"(ii) the Drug Enforcement Administration,

"(iii) the United States Marshals Service,

"(iv) the Federal Bureau of Investigation,

"(v) the Bureau of Alcohol, Tobacco, and Firearms, and

"(vi) the United States Custom Service,

"(C) for supplementing the funds provided under the Justice Assistance Block Grant Program for the purpose of enhancing State and local drug enforcement activities,

"(D) for the President's Media Commission on Alcohol and Drug Abuse Prevention, as established in the Anti-Drug Abuse Act of 1986 (21 U.S.C. 1301),

"(E) for education and rehabilitation programs, and

"(F) for demonstration programs such as—

"(i) a program to be modeled after military boot camps for rehabilitating drug offenders under the age of 25,

"(ii) a program to provide matching funds to local educational agencies for implementing drug abuse prevention and citizenship programs in elementary and secondary schools,

"(iii) a program to improve the ability of local jurisdictions to prosecute and incarcerate drug offenders that would include fed-

erally constructed county jail or county regional jail for pre-trial detention and post-conviction detention,

"(iv) a 3-year program to provide college credit and job training for disadvantaged youth in an in-residency work/study center,

"(v) a televised drug counseling program to broadcast drug abuse treatment information and interactive group support meetings and provide telephone counseling to call-in viewers, and

"(vi) a program which addresses the activities of violent drug gangs.

"(d) MINIMUM AMOUNTS TO BE MADE AVAILABLE TO THE SECRETARY OF THE TREASURY.—Amounts made available to the Secretary of the Treasury for the purposes described in subsection (c)(1) shall be at least equal to—

"(1) tax overpayments designated and contributions made to the War on Drugs Trust Fund under section 6097 of subchapter A of chapter 61 of the Internal Revenue Code of 1986, and

"(2) amounts appropriated to the War on Drugs Trust Fund pursuant to section 524(c)(1)(H) of title 28, United States Code.

"(e) BUDGETARY TREATMENT OF FUND.—Notwithstanding any other provision of law, the receipts and disbursements of the War on Drugs Trust Fund, including disbursements for administrative expenses incurred in connection with the Fund—

"(1) shall not be included in the totals of—

"(A) the budget of the United States Government as submitted by the President, or

"(B) the congressional budget (including allocations of budget authority and outlays provided therein),

"(2) shall be exempt from any general budget limitation imposed by statute on expenditures and net lending (budget outlays) of the United States Government, and

"(3) shall be exempt from any order issued under part C of the Balanced Budget and Emergency Deficit Control Act of 1985, and shall not be counted in calculating the excess deficit for purposes of sections 251 and 252 of the Balanced Budget and Emergency Deficit Control Act of 1985, but shall be counted for purposes of calculating the deficit under section 3(6) of the Congressional Budget and Impoundment Control Act of 1974 for purposes of comparison with the maximum deficit amount under the Balanced Budget and Emer-

gency Deficit Control Act of 1985, for any fiscal year."

(b) CONSTRUCTION.—Nothing in any amendment made by subsection (a) shall be considered to diminish the oversight responsibilities of the Congress under law, rule, or regulation with respect to the budget of the Department of Justice or the Department of the Treasury.

(c) APPLICABILITY.—The amendments made by subsection (a) concerning budgetary treatment of the War on Drugs Trust Fund shall apply with respect to budgets for fiscal years beginning after September 30, 1989.

(d) POLICY CONCERNING USE OF FUND.—It is the policy of the Congress that expenditures from the War on Drugs Trust Fund for existing Federal anti-drug activities shall be in addition to current levels of appropriations for such activities.

(e) CLERICAL AMENDMENT.—The table of sections for such subchapter A is amended by adding at the end thereof the following new item:

"Sec. 9511. War on Drugs Trust Fund."

SEC. 7. REPORTS.

(a) REPORT OF THE SECRETARY OF THE TREASURY.—Not later than 3 years after the date of the enactment of this Act, the Secretary of the Treasury, in consultation with the Director of National Drug Control Policy, shall develop and transmit to Congress a report containing findings

and recommendations concerning the programs established by this Act.

(b) REPORT OF THE ATTORNEY GENERAL.—Not later than 1 year after the date of the enactment of this Act, the Attorney General shall transmit to Congress a report containing recommendations on the merits of privatizing Federal prisons.

○

Chairman ROSTENKOWSKI. Good morning. We want to welcome our witnesses to today's hearing on the Drug War Bond Act of 1989.

One of the most serious problems facing us as a nation today, whether we are Members of Congress, teachers, parents, or concerned citizens, is the war on drugs. Our Nation's capital itself is not immune from the scourge of drugs. Every week, we read in the papers that young people have died from drugs or drug-related violence.

The bill on which the committee will receive testimony today would raise money to combat this problem by permitting the issuance of drug war bonds. These bonds would allow the Government to borrow up to $4 billion for the express purpose of fighting the war on drugs. Funds from the proceeds of this borrowing would be placed in a trust fund and would be expended on treatment, education programs, and other efforts.

The committee will hear testimony today from citizens concerned with all aspects of this Nation's drug problem. We will hear from two young people who have taken time out of their busy school schedules to testify to this committee about the drug problem confronting school children. We will hear from civic organizations who have devoted time to drug prevention and counseling efforts. We will hear from parents who have formed parent self-help organizations. We will also hear from Dennis Franz, an actor, who many of us may know as a tough antidrug cop on the television show "Nasty Boys."

I would like to thank all of you for taking time to appear before us today.

First, I would like to welcome our colleague, the Honorable Jerry Lewis, who sponsored the Drug War Bond Act. Mr. Lewis, you are familiar certainly with our format. We welcome you and your colleagues to this meeting and look forward to having an exchange with you and your colleagues.

I will yield first to my colleague, Mr. Archer.

Mr. ARCHER. Thank you, Mr. Chairman.

I take particular pleasure in welcoming our colleague, Jerry Lewis, before the committee today as the father of the legislation before us. And I am delighted, Mr. Chairman, that you are holding this hearing.

If the Nation were as committed to the war on drugs as Jerry Lewis has been in his efforts on H.R. 2972, America's chances of solving this terrible problem would be much improved.

Jerry, your labors are bearing fruit in many, many ways. Your bill now has 247 cosponsors, and that support is bipartisan. We have members of the leadership from both sides of the aisle who are vigorously pressing for its passage. Nine Republican members of the Ways and Means Committee, including myself, have cosponsored your bill. In the Senate, a proposal of a similar nature was passed as an amendment to a larger piece of drug legislation.

The Drug War Bond Act can make, I believe, a substantial difference in our effort to combat drug abuse. H.R. 2972 authorizes the Secretary of the Treasury to raise, as the chairman said, $4 billion through bond sales for educational programs and a variety of reha-

bilitation services. But the bill does more than provide a financing mechanism.

I believe—and I know you do, too, Jerry—that it will get families, schools, and communities involved in the fight. Money alone is not going to provide the solution to this problem. Without a change in our public's attitude, the problem will never be solved, and a drug war bond drive could increase awareness and support for the cause at the individual level. That is why I find Congressman Lewis' approach, Mr. Chairman, so encouraging. Everyone can actually become involved and have a stake in the outcome of our battle against drug abuse.

I know that there were some initial differences between Mr. Lewis and the Treasury over specific provisions, but I understand that there has been an agreement to alter the bill to meet all of those specific objections, with the exception of the stamp program which is aimed at children. I hope, however, you can develop some initiative for youngsters, because I personally recall during my elementary school and high school years of World War II, that the program jointly sponsored by Treasury and the Office of Education during World War II was highly successful in not only promoting bond and stamp sales, but in teaching children the need for thrift. America has a big, big problem on drugs, but we also have a big problem on encouraging people to save and to conserve.

Good luck, Jerry. I am looking forward to your testimony.

Chairman ROSTENKOWSKI. Mr. Rangel.

Mr. RANGEL. Thank you, Mr. Chairman.

I want to thank my colleagues and friends for the creative ideas that they have in joining and participating in this international, and hopefully strong, domestic war against drugs. I hope in your presentations that you would be able to answer some of the serious questions I have. One would be how we would distinguish these bonds from any other indebtedness which our Nation would be acquiring. The number one priority we have in our country now is to reduce the national deficit. I look at this bill as one that would allow us to borrow $4 billion, to pay interest on an additional $4 billion, and to add this to the national debt rather than to reduce our national deficit.

Another area that I hope that you address is that I see that you mention that these children would be collecting money and perhaps learning how to be thrifty. Of course, the Nation will be borrowing while they are saving. But, on the other hand, you mention that some of it could be used for Federal prisons. Well, if you could see the state of some of the schools in some of our inner cities, you inherently know that the Federal Government has given little or no assistance for these schools. Many kids are in trailer camps; the ceilings are falling. I would hope that there would be some concern about their environment rather than what the Federal Government should be doing, and that is providing places for its felons.

I have problems with the bill. I have no problem with the motives and the intent of you Members who support it. It is always good to see my friend and partner on the Select Narcotic Committee, Ben Gilman, who is always trying to find some new and innovative way to find money. I hope that you also have provisions in the bill so that Mr. Darman would not be able to get his hands on

this money as he has so effectively with the money that the Congress has allocated for Mr. Bennett.

Thank you.

Chairman ROSTENKOWSKI. Mr. Schulze.

Mr. SCHULZE. Thank you, Mr. Chairman.

Mr. Chairman, I would like to commend you for holding today's hearing on the Drug War Bond Act of 1989. This innovative idea is a strategy we must examine closely. It is just the type of thinking that is essential if we are going to win the war on drugs.

In particular, I want to commend the bill's chief sponsor, Congressman Jerry Lewis, and also welcome him to today's proceedings. His leadership on this issue is well known, and his prestige has moved this effort to the forefront.

Mr. Chairman, this bill is clearly bipartisan, and it is innovative. If after today's hearing we believe it will work in bringing Americans together to fund a successful war on drugs, then I say we must move forward. I look forward to hearing the testimony from today's witnesses.

Chairman ROSTENKOWSKI. Mr. Lewis, we are ready to take your testimony.

STATEMENT OF HON. JERRY LEWIS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. LEWIS. Thank you, Mr. Chairman.

I must say that those expressions and comments of interest in our proposal by you, Mr. Chairman, Mr. Archer, and my other colleagues are most encouraging. I would like to express my thanks especially, Mr. Chairman, for this unusual hearing which has been scheduled relative to drug war bonds. I think it is indicative that the chairman, the ranking member, and all members of the committee are very concerned about the issue of drug abuse and are willing to look at new and perhaps unorthodox approaches if that is what it takes to win the war on drugs.

Mr. Chairman, I would like to submit my testimony for the record. I will draw from it, but I understand your time constraints and appreciate your consideration of this very important matter.

Chairman ROSTENKOWSKI. Mr. Lewis, if you will yield, all Members' full testimony and full statements will be included in the record. If they care to summarize, that would help the committee and give us an opportunity for an exchange of questions.

Mr. LEWIS. Thank you very much, Mr. Chairman.

Let me begin by taking you back to another war, that being World War II. After that war began in Europe in 1939, the United States began making its own war preparations. The Roosevelt administration was looking for a way to both mobilize the American public and raise money, and FDR decided to issue a defense savings bond, the series E, early in 1941. When the Japanese bombed Pearl Harbor, the defense bond became the war bond, and sales soared. From May 1941 through December 1945, $54 billion—in 1940 terms—worth of war savings bonds were issued. More than 85 million Americans knew that through their investments they were participating directly in helping win that critical war.

There was a tremendous mobilization of the American people. They felt involved. Beyond those who actually purchased bonds, millions of volunteers and contributors helped promote bond sales. Many of our Members even, Mr. Chairman, as well as some of my own staff, don't remember the time, but department store owners urged customers to accept change in war stamps, which were collected in booklets and then redeemed for bonds. Radio networks had a Radio Bond Day where top entertainment stars urged listeners to buy more bonds. A School at War program was put into effect, promoting stamp and bond purchases in schools. Each school was urged to buy a jeep. In those days they actually collected the booklets in order to buy these jeeps. Some 90,000 jeeps were sent overseas as a result of that effort on the part of young Americans across the country. The Nation's first payroll deduction plan was created so that bonds could automatically be purchased each month by Americans who were mobilized.

Mr. Chairman, the drug crisis in this country is the single greatest threat to our society since World War II, affecting the lives of all Americans. As in World War II, I am convinced that the war on drugs will not be won until we mobilize the American public once more. There are many, many people who feel helpless and frustrated by the lack of opportunity to contribute personally to this effort. Politicians in Washington paying lip service to the drug issue year after year is not the answer alone. The drug war must be fought in homes, our schools, our neighborhoods and communities across the country.

In a 1941 memo, the Secretary of Treasury laid out the goals of the war savings bonds: To give people a sense of the magnitude of the effort needed to win the war by "transforming people from being mere observers into becoming active participants." This is the goal of the Drug War Bond Act of 1989. H.R. 2972, which I have introduced in the 101st Congress, is a first front war effort to make certain that people have a mechanism for getting involved.

The bill provides for issuance of new savings bonds and stamps, with the proceeds from their sale being used to help fight the war on drugs. In its present form, the Drug War Bond Act would require the Treasury Department to issue, as you have indicated, up to $4 billion worth of drug war savings bonds over a 3-year period. The money received from the bond sales would be sent to a special trust fund. This helps to ensure that the money is spent on the war on drugs, hopefully, Mr. Rangel, rather than being diverted by some who would rather capture every dollar for their own priorities.

The President, after consulting with the drug czar, would have the discretion to spend the funds on a variety of antidrug efforts, including education, rehabilitation, and enhanced law enforcement. A stamp program, similar to the World War II model, would also be developed so that kids could once again be involved. After all, Mr. Chairman, their future is at stake.

I would like to take a moment to mention more about the stamp program. Mr. Chairman, you and I will remember these booklets. Those stamps I can remember collecting papers to buy. Not just people in uniforms were involved. I have an item over on the side there, Mr. Chairman, that recalls some of the early days of "Uncle

Sam Wants You." Indeed, the public got mobilized and involved, but the stamp program was really pretty fundamental to that.

There is much promise in promoting drug war savings bonds among students. Those students in schools could once again be directly involved. Can you imagine, Mr. Chairman, if we had teachers at the elementary classroom in a position where they actually would be encouraging children to save money and buy stamps in the second grade before somebody hooked them or tried to hook them on crack in the sixth grade?

As in World War II, we envision involving large numbers of adults as well as children in the country in promoting the drug war bonds. Adding to the success of the World War II war bond program were actors and sports figures, as well as millions of contributors and volunteers who promoted bond sales. That effort could be duplicated if, indeed, all of America was asked to participate.

Many celebrities have already announced their support for the drug war bonds savings effort that we are suggesting here, including Dennis Franz, who is with us today; Richard Dean Anderson of "MacGyver;" Gerald MacRaney of "Major Dad;" I have a tape of his testimony to submit for the record, Mr. Chairman. Arthur Ashe has submitted his name, along with Nancy Reagan, Muhammed Ali, and Michele Lee of "Knots Landing." A host of private volunteer organizations such as the Entertainment Industries Council, the National Federal Target Program, the Elks, the Knights of Columbus, Save America's Youth, and the YMCA, among others, have provided their support for this effort.

I might mention, Mr. Chairman, that our former colleague, Ron Sarasin, who is with the Beer Wholesalers, will be testifying later, and Mr. Sarasin is going to announce that their industry is going to commit to buying the first $100,000 of bonds that are issued. Just the beginning of the enthusiasm that I think will spread across the country if we go forward with this idea.

Today's budgetary climate is different from the 1940's. When you owe money, as Mr. Rangel suggested, people want to know how you are going to pay it back. Unlike the earlier war bond program, H.R. 2972 includes various revenue-raising provisions. They include contributions, for example, from income tax refunds, and part of the money that would be raised will be invested in the marketplace and those funds set aside to help repay bond holders.

When I introduced this bill last July—as my colleague, Mr. Archer, indicated—it was my intention that the funds raised from the bond sales would be additional money for the war on drugs above and beyond current expenditures. I intended further to bypass my own Appropriations Committee and isolate the funds in an off-budget trust fund to ensure that they go to fight the war on drugs. I stand by those original goals. However, I intend to make several changes to the bill as a result of the extensive meetings I have held with both Treasury and OMB. They expressed certain reservations about provisions such as these. I will state for the record my support for the following changes: making the interest on the bonds tax deferred instead of tax exempt; moving the trust fund on budget, and scoring it for Gramm-Rudman, including the sequester.

I would mention to my colleagues that the concept of drug war bonds was first put into legislative language here in the House. The Senate has moved quickly to embrace this idea. As I introduced the War Bond Act in the House, Senator Pete Wilson, my colleague from California, introduced the same bill in the Senate. His leadership and the leadership of Senator Bob Graham of Florida led to a similar drug bond bill passing the Senate as an amendment to S. 1711. There are some differences between their bill and ours as to financing and specific approach. While I support my Senate colleagues and their leadership wholeheartedly, Mr. Chairman, I would urge you in joining me with the thought that the House doesn't want to let this idea escape to just the other body. So it should, I think, want to produce a version of its own so eventually we can settle some differences and maybe some questions here in conference.

This is a bipartisan bill. We have many, many supporters in the House and on this committee that are bipartisan. Bill Archer mentioned that almost 250 of my colleagues are cosponsors—Democrats and Republicans alike in our leadership. The drug issue has seen enough partisan wrangling. It seems to me that politicians, relative to the drug issue and that debate, want to take politics out of the debate.

Let's carry our World War II analogy a step further. Can you imagine Republicans and Democrats fighting each other politically here at home while our soldiers fought the enemy abroad? People would have been outraged. So should they be today when politicians try to make political hay alone out of this issue.

President Bush was right on target when he said in his address to the American people recently, "There is no match for a united America, a determined America, an angry America." We are not there yet in terms of drugs. As someone who was actively involved in the 1986 and 1988 omnibus drug bills, I know that while both these efforts were important, they were not enough. There are many of us in Congress and across the country who believe that the lessons of history, made current through the war bond effort, this suggestion, can help us unite and defeat the latest and greatest threat to the fundamental institutions of our society.

Mr. Chairman, I appreciate very much this hearing and your willingness to take on this most unusual and unique idea. Indeed, new ideas are a part of our solution, and I appreciate your joining me in this effort.

[The statement of Mr. Lewis follows:]

STATEMENT OF THE HONORABLE JERRY LEWIS ON H.R. 2972
BEFORE THE WAYS AND MEANS COMMITTEE
April 25, 1990

I would first like to express my thanks to Chairman Rostenkowski for scheduling this hearing on Drug War Bonds. I think it is an indication that the Chairman and the Committee are concerned about the issue of drug abuse and are willing to look at new, perhaps unorthodox approaches if that's what it takes to win the War on Druge.

Let me begin, Mr. Chairman, by taking you back to another time, another war: World War II. America was at the peak of her powers during World War II. We had the bomb. No one else did. We emerged from the war strong enough to rebuild not only ourselves, but most of Europe as well. I think there are lessons to be learned from World War II about solving today's problems, including the problem of drug abuse. That is why I've introduced a bill in Congress, H.R. 2972, the Drug War Bond Act of 1989, patterned after the successful War Bond program of World War II.

After the war began in Europe in 1939, the United States began making its own war preparations. When the Roosevelt Administration began looking for a way to both mobilize the American people and raise money, FDR decided to issue a "Defense" savings bond -- the series E -- early in 1941. When the Japanese bombed Pearl Harbor the "Defense" Bond became the "War" Bond and sales soared. From May 1941 through December 1945 $54 billion worth of War Savings Bonds were issued. This gave more than 85 million American War Bond owners the knowledge that they too had helped win the war overseas.

There was a tremendous mobilization of the American people during the time War Bonds were sold. Beyond those who actually purchased bonds, millions of volunteers and contributors helped promote bond sales:

-- Department store owners urged customers to accept change in War Stamps which were collected in booklets and then redeemed for bonds;

-- Radio networks had a "Radio Bond Day" where top entertainment stars urged listeners to buy more bonds. Many stars also made personal appearances in numerous cities promoting bond sales; and

-- A "Schools at War" program was put into effect, promoting stamp and bond purchases in schools. Each school was urged to "buy a jeep" through the money provided from their purchases for the war effort. More than 90,000 jeeps were "purchased" this way.

-- The nation's first payroll deduction plan was created so that bonds could automatically be purchased each month by American workers.

Mr. Chairman, the drug crisis in this country is the single greatest threat to our society since World War II, affecting the lives of all Americans. As in World War II, I am convinced that the War on Drugs will not be won until we mobilize the American public. There are many, many people who feel helpless and frustrated by the lack of opportunity to contribute personally to this effort. Politicians in Washington paying lip service to the drug issue year after year is not the answer. The drug war must be fought in our homes, our schools, our neighborhoods and communities across the country.

In a 1941 memo, the Secretary of the Treasury laid out the goals of War Savings Bonds: To give people a sense of the

magnitude of the effort needed to win the war by "transforming people from being mere observers into becoming active participants." This is the goal of the "Drug War Bonds Act of 1989," H.R. 2972, which I've introduced in the 101st Congress.

H.R. 2972 provides for the issuance of a new savings bond and stamp, with the proceeds from their sale being used to help fight the War on Drugs. In its present form, the Drug War Bond Act would require the Treasury Department to issue up to $4 billion worth of Drug War Savings Bonds over a three year period. The money received from bond sales would be sent to a special trust fund. This helps insure that the money is spent for the War on Drugs, and not detoured to some other account.

The President, after consulting the Drug Czar, would have the discretion to spend the funds on a variety of anti-drug efforts, including education, rehabilitation, and enhanced law enforcement. A stamp program, similar to the World War II model, would also be developed so that kids could once again be involved. After all, their future is again at stake.

I'd like to take a moment to mention more about this stamp program because I think it's vital to our overall effort. Indeed, there is much promise in promoting Drug War Savings Bonds among students. Schools could once again promote bond sales by making available special drug war stamp books. Students could be encouraged to buy war bond stamps for as little as a quarter to save in stamp books that, when completed, could be redeemed for a Drug War Savings Bond. Because teachers suffer from the impact of drugs in the classroom, they, too, could play a role in encouraging students to become actively involved in the program. I ask, Mr. Chairman, isn't it better to interest students in fighting drug abuse and saving for their future in the second grade, before they are hooked by crack in the sixth grade? The money, of course, is less important than the lesson: some things - like fighting drug abuse - are worth the investment of our time and effort.

A funny thing happens when people invest their time, effort and money in something: they start to feel that they have a stake in its success. Then, they start looking for ways to get involved in reaching the goal of their investment. This is an important part of the psychology behind Drug War Savings Bonds.

As in World War II, we envision involving large numbers of adults and children in this country in promoting Drug War Bonds. Adding to the success of the World War II War Bond program were actors and sports figures as well as millions of contributors and volunteers who promoted bond sales. That effort could be duplicated to help fight the War on Drugs.

Many celebrities have already announced their support for Drug War Savings Bonds, including Dennis Franz (of "Nasty Boys"), Richard Dean Anderson ("MacGyver"), Gerald MacRaney ("Major Dad"), Arthur Ashe, Nancy Reagan, Muhammad Ali, and Michele Lee ("Knotts Landing"). A host of private volunteer organizations such as the Entertainment Industry Council, the National Federation Target Program, the Elks, the Knights of Columbus, Save America's Youth, and the YMCA, among others, have provided their support and pledged their best efforts to help implement the Drug War Bond program. This level of support shows, at a minimum, that there are private resources available that would be a great complement to the efforts currently underway at the state, local and Federal government levels.

Today's budgetary climate is different from the 1940's. When you owe money, people want to know how you're going to pay it back. Unlike the earlier war bond program, H.R. 2972 includes various revenue raising provisions. They include contributions from income tax refunds and the investment of part of the bond

money, in order to help repay the bondholders when they redeem their bonds for cash some 12 years down the road.

When I introduced this bill last July, it was my intention that the funds raised from the bond sales would be additional money for the War on Drugs, above and beyond current expenditures. I intended further, to bypass my own Appropriations Committee and isolate the funds in an off-budget trust fund to ensure that they go to fight drugs. I stand by these original goals, however, I intend to make several changes to the bill as a result of extensive meetings I have held with both the Treasury Department and OMB. They expressed certain reservations about several provisions of the bill. Therefore, I will state for the record my support for the following changes in H.R. 2972: making the interest on the bonds tax-deferred, instead of tax-exempt; moving the trust fund on-budget and scoring it for Gramm-Rudman - including the sequester.

I should mention to my colleagues that the concept of Drug War Savings Bonds was first put into legislative language here in the House. The Senate has moved quickly to embrace this approach. As I introduced the Drug War Bond Act in the House, Senator Pete Wilson introduced the same bill in the Senate. His leadership, and the leadership of Senator Bob Graham, led to a similar drug bond bill passing the Senate as an amendment to S. 1711. There are some differences between their bill and ours as to its financing and specific approach. While I support my Senate colleagues and their leadership wholeheartedly, the House, I believe, should have its own version to bring to conference.

This is a bipartisan bill. We have many supporters in Congress, both Republicans and Democrats. In fact, nearly 250 House members have cosponsored the bill, including members of both the Republican and Democrat leadership. The drug issue has seen enough partisan wrangling. It's time to take the politics out of the drug debate and mobilize the American public. Let's carry our World War II analogy a step farther. Can you imagine the Republicans and Democrats fighting each other politically here at home while our soldiers fought the enemy abroad? People would have been outraged. So should they be today when politicians try to make political "hay" out of this issue.

President Bush was right on target in his address to the American people recently when he said, "There is no match for a united America, a determined America, an angry America." We're not there yet. As someone who was actively involved in the 1986 and 1988 omnibus drugs bills, I know that, while both these efforts were important, they were not enough. There are many of us in Congress and across this country who believe that the lessons of history, made current through Drug War Savings Bonds, can help us unite and defeat this latest and greatest threat to our way of life.

Mr. Chairman, I thank you for your willingness to make use of this important committee as a forum for exploring new ways to address the problem of drug abuse.

Chairman ROSTENKOWSKI. Thank you, Mr. Lewis.

With the intention of utilizing our time as best we can, I think that what we will do is ask each member of this panel to give us their testimony, and at the conclusion of that, we will get into a discussion. However, if any of you have other commitments at the conclusion of your testimony, you are welcome to retire.

Senator Wilson, welcome to the committee.

STATEMENT OF HON. PETE WILSON, A U.S. SENATOR FROM THE STATE OF CALIFORNIA

Senator Wilson. Mr. Chairman, thank you very much.

I am grateful that this hearing is being conducted. I must say that I have great admiration for Congressman Lewis, and the other members of this panel, but he has been the driving force on this issue. I listened to my friend, Congressman Rangel, for whom I have the greatest respect and for whom we all have great respect because of the intensity of the effort that he has made personally in the war on drugs, as he stated that our first priority here in the Congress must be deficit reduction. Certainly, I think that when I came to the Congress, if anyone had asked me, I would have said that the deficit must be our first objective, our first priority.

Now, I am not certain that I would have to agree with that, as important as it is, because it seems to me that in that war that seems now so distant, that conflict that commenced not quite 50 years ago, we were concerned with the survival of this democracy. And today we are concerned with surviving a menace which I think we would perhaps all agree, even before the dramatic events of the past year, presents a far greater threat to the security and to the welfare of our young people, the future of our Nation, than any cold war threat ever has.

The difference, of course, between this situation that we face today, Mr. Chairman, and that which we recall—those of us who are, in fact, old enough to do so—is that unlike many of us who heard that war or heard about it, listening to our Philcos, today's youth can actually see the drug war and not just on television. They can see it on the streets of their own neighborhoods. The immediacy of this peril, the magnitude of the threat, is difficult to exaggerate. Not very far from where we are sitting, there can be found not just dramatic but the most painful possible evidence of exactly how destructive this drug threat can be.

So I would have to say that there are two aspects to the legislation that you are considering today. One has to do with raising funds to fight a war on drugs with more than rhetoric. The second has to do with the kind of participation that was possible in World War II right down, as Congressman Lewis has said, to small children buying war stamps to fill books which, when redeemed, permitted them to purchase war bonds, the famed series E.

I was one of those school children. I had an older brother in the Marines. I spent a great part of my time peddling Collier's magazine. I had a route that I used to walk, and I actually made quite a bit of money for the time, enough to buy several $25 series E bonds. I was somewhat astounded that over a 4-year period it came to quite a bit.

The stamps were sold in the schools, and the schools played an integral part, not really in a merchandising effort, but in an effort to involve young people in a war that they couldn't fight as individuals. They were not soldiers, but I believe their participation was a key factor in building the morale of those to whom they sent 90,000 jeeps.

The difference today, Mr. Chairman and members of the committee, is that the children are themselves participants in the war. Certainly, they are combatants at that inevitable moment, when in the corner of their school ground or playground they are confronted with what is to them a glamorous figure, a pusher, who may be 15 or 14 years old when they are 9 or 10. They need to learn early, Mr. Chairman, not just the virtue of thrift but the importance of themselves, of their own value, and why it is essential that they not waste the gifts that they have been given through some experiment. We are all familiar with the drug education program called DARE. It tells kids not just to say no, but how and why. It teaches them evasive tactics. In the heart of drug-infested neighborhoods, it can be a very significant means of avoiding the life of their older brothers. This is the kind of thing that we are looking at in terms of the participation that a new, modern-day drug war bond would provide.

Now, Mr. Chairman, I don't know whether or not in the end we will come to a revenue-neutral program. But if we do, at the very least it would be a tragedy, in my judgment, to miss the opportunity to involve those children who are themselves, in fact, involved daily, in their playgrounds, at their schools, and on their streets. You don't need to explain to kids about drugs. They can probably teach us. But what I do think is possible is that it is clearly within the range of our effort to reach them early, to reach them in a tangible way that makes real to them something that hopefully will not become more real by their participation in drugs.

Mr. Chairman, I will conclude with thanks in particular to Congressman Jerry Lewis for his leadership, and to my colleague, Senator Bob Graham. Senator Graham and I introduced bills minutes apart in the Senate, but our goal is identical. It is the same goal that all of you on the rostrum have. And for the concern that is expressed with regard to how we fund this war on drugs, I could only say to you, Mr. Chairman, that of all the urgent priorities that we are confronted with, there is none that exceeds the immediacy of the threat of drugs. There is none that exceeds it in terms of the magnitude of that threat. So perhaps some sort of an extraordinary response is required; the kind that we made back in the early 1940's, when, in fact, we refused to be overcome by the threat of aggression on both sides of the world.

This war is not fought in Europe. It is not fought in the Pacific. It is fought on the streets of Washington and California, in your community, Mr. Chairman, and in virtually every community in the land. This is our opportunity to involve those who are threatened by it with participation in overcoming that threat.

Thank you very much.

[The statement of Senator Wilson follows:]

STATEMENT OF U.S. SENATOR PETE WILSON
OF CALIFORNIA
BEFORE THE COMMITTEE ON WAYS AND MEANS
APRIL 25, 1990

PROPOSAL TO ESTABLISH A "DRUG WAR BONDS" PROGRAM

Mr. Chairman, I am pleased to have the opportunity to appear before the Committee to discuss the establishment of a Drug War Bonds program.

As all of us here know all too well, our nation's problem with illegal drugs has many facets: The sheer greed and ruthlessness of international drug traffickers; Poverty and a warped view by some that drug trafficking is the only way out; Inadequate education about the ills of drug use; And perhaps the greatest tragedy -- the children born to drug-abusing mothers, crack babies.

And just as the drug problem is multifaceted, so must the solution take on many forms in order to be effective. We need more law enforcement, more interdiction, more education, and more treatment. But the real key to an effective war on drugs is a feeling of commitment in communities throughout the country.

Mr. Chairman, we can educate, cajole, inform, and exhort the people to "Do their part", but we can do one more thing that may be the most promising: We can create a "Drug War Bonds" program that will give people a tangible stake in the war against drugs.

As Congressman Lewis has told the Committee, he and I joined together last year to introduce legislation creating Drug War Bonds.

Of course, offering bonds to directly confront a national crisis is not a unique idea. Indeed, some of us here today are old enough to remember World War II and the important role war bonds played in generating public support for America's efforts. The Lewis/Wilson Drug War Bond Program will provide similar means to combat a tremendous problem that leaves many Americans feeling helpless in their homes, schools, and communities.

Even our nation's children can participate in the Drug War Bonds program like many of us did almost fifty years ago. As a child, I bought war bonds with money I made selling magazines. Also, "Schools at War" programs were initiated, encouraging students to invest in a free America by purchasing war bond stamps. With their stamps, students purchased over 90,000 jeeps for the war effort.

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Mr. Chairman, unlike many of us who heard about the world war on our Philco, today's youth can see the drug war on their neighborhood streets.

I continue to receive many letters from concerned children across California who describe the horrors drugs have brought to their homes and schools, asking me what they can do to stop this dreadful menace.

Drug War Bonds and Stamps represent a great opportunity for the thousands of young Americans who want to do more than just say no to drugs.

In closing, Mr. Chairman, I would like to commend my friend and colleague from California, Jerry Lewis, who has been an inspirational leader in the fight against illegal drugs and who was the first member of Congress to see the wisdom and potential of the Drug War Bond Program. I also commend Citizens for a Drug Free America and its Founder and President, Roger Chapin, for having inspired this proposal.

Finally, I commend my friend and colleague from Florida, Senator Bob Graham, who successfully offered a Drug War Bond plan as a floor amendment last year. While we were only moments apart in the introduction of our two bills, and while our two proposals take slightly different tacks, we are very much in agreement that we need a Drug War Bonds program.

Mr. Chairman, if this Committee believes that there may be a better way to structure the Drug War Bonds program to address concerns about the budget and the issuance of debt instruments, Congressman Lewis and I would be happy to work with you, and I am sure that this is true of Senator Graham as well.

We are not looking for budget gimmickry. Rather, we are looking for a program that allows the American people an opportunity to actively participate in the drug war.

The bottom line is that a Drug War Bonds program, as a vehicle for participation, can add so much to our anti-drug efforts. To this end, I urge you to move a bill through committee and bring it to the House floor so that we can achieve enactment this year.

Thank you.

Chairman ROSTENKOWSKI. Thank you very much, Senator Wilson.

Senator Graham.

STATEMENT OF HON. BOB GRAHAM, A U.S. SENATOR FROM THE STATE OF FLORIDA

Senator GRAHAM. Thank you very much, Mr. Chairman. Mr. Chairman, I will submit my statement for the record and summarize.

I would like to make two basic points. First is to add some additional ideas to the pool out of which I hope we can fashion an acceptable financing proposal to put this idea into specific form. The legislation which I have introduced has many characteristics similar to that which has been introduced by Congressman Lewis, but for this purpose I would like to point out some areas in which it differs.

One, it expands on the current very successful savings bond program. Last year, Americans purchased nearly $8 billion of savings bonds under our existing bond program. Essentially, drug war bonds would be a new issue utilizing all of the administrative and most of the basic financing aspects of the current program. There would be some differences, however.

First, similar to the proposal that has been introduced by Congressman Lewis and Senator Wilson, it would provide for denominations of smaller units. There would be units of $25 and also provision, made for the sale of stamps. The bill would provide for the event of extra administrative costs due to these smaller-than-normal units, that there would be an adjustment in the interest sufficient to cover those additional administrative costs.

The proceeds of the drug war bonds would be deposited in a discrete trust fund. Proceeds from those trust funds would be appropriated by Congress solely for purposes of meeting the obligations of the 1988 antidrug bill.

Mr. Chairman, I believe that there are two fundamental reasons for the adoption of this approach to financing a portion of our war on drugs. One has been emphasized, and that is the issue of involvement. It was almost a year ago that many of us participated in a special joint session of the Congress. It was the joint session at which we celebrated our 200th birthday as a Congress. The principal speaker was the American historian David McCullough. Mr. McCullough at that time, in reciting the history of the Congress, discussed some of the areas in which Congress could draw upon that very history to meet current challenges. And one of those was a recitation of the very successful World War II bond program, and a suggestion that we could use that history of involvement of the American people in winning that war for a similar bond effort to involve Americans in winning the current war on drugs.

Second is the issue of continuity. One of my concerns about our efforts at all levels of Government, but particularly at the Federal level in dealing with the scourge of drugs, is the episodic nature, that we become very interested for brief periods, frankly often just before November elections, and then there is a period of quiescence. That is not the way the war is seen or the war is going to be won at the level of infantry engagement.

I spent some time last year in the small community of Marianna, Fla. Marianna is a rural area on the Alabama border. You would not think of it as being a place that had a major drug problem, but drugs are a problem, and the citizens of that community have identified it and have developed an aggressive program to respond. They are about to make some major commitments based on what they think will be the Federal partnership. They are going to hire some professionals. They are going to increase their law enforcement. They are going to construct some physical facilities for treatment. All the array of things that we know are going to be involved in an effective and winning war on drugs.

Their question was: After we make all these commitments, will the level of Federal partnership upon which they are predicated be realized? I think that it is our opportunity through a program such as this to give some base, some continuity, as well as involvement, to the financing of the war on drugs.

Mr. Chairman, I join my colleagues in expressing my appreciation for the opportunity to present this idea before a committee which will have the greatest influence on its viability. In that speech of Mr. David McCullough, he used as his metaphor the clock in Sanctuary Hall as an example of the continuity of the Congress over 200 years. For today's purposes, I would say that that clock is close to striking midnight on the Nation's time remaining in order to wage a serious, aggressive, continuous, and winning war on drugs. I believe deeply that this idea of involving millions of Americans in that victory is going to be an important part of seeing that when the clock in Sanctuary Hall strikes midnight that we will be celebrating victory and not the ashes of a broken nation.

Thank you, Mr. Chairman.

[The statement of Senator Graham follows:]

BOB GRAHAM
FLORIDA

United States Senate
WASHINGTON, DC 20510-0903

Statement of Senator Bob Graham
Before the House of Representatives Committee
on Ways and Means

April 25, 1989

Drug War Bonds

Good Morning, Mr. Chairman and members of the Committee. I am grateful for the opportunity to testify before you this morning on Drug War Bonds. Senator Wilson and myself have both introduced legislation authorizing the sale of Drug War Bonds, and the Senate has passed the legislation I introduced as an amendment to last October's drug bill, S.1711. Which is why I am pleased to see the House taking action on the matter and reopening the discussion on the concept of funding drug programs through the sale of bonds.

You've just heard testimony from Senator Wilson and Congressman Lewis on their respective bills. Although our goals are the same, our bills differ in several respects.

The bill I have sponsored, S.1389, merely expands the current, successful Savings Bond program to include a special issue of Drug War Bonds. The denominations of the Drug Bonds would be the same as for Savings Bonds, only a small denomination bond -- not greater than $25 at maturity -- is required under the legislation. Our purpose is to encourage people of all economic means and all ages to participate in the Drug Bonds Program. The Secretary of the Treasury may adjust the interest rate of these small denomination bonds down in order to cover the extra administrative costs that may occur. My bill also makes provisions for the issuance of Savings Stamps, so children may make incremental purchases toward the price of a Savings Bond.

And finally, the proceeds from the War Bonds are deposited in a Trust Fund that is discreet from the General Treasury. The Trust Fund is to be used by Congress to appropriate funds to meet the obligations we made law in the 1988 Anti-Drug Abuse Act.

The Drug War Bonds concept is meant to create a consistent, additional funding mechanism with which to wage the war on drugs. Congress has increased drug funding for the past two years, and I note that the House Budget Committee has approved a fiscal year 1991 budget that increases drug funding $1.5 billion over current authority. But we all know that finding new money these days in Washington is nearly impossible because we're trying to reduce the deficit.

Temporary solutions -- transferring money from one account to another or relying on something as undefined (and possibly illusory) as the "Peace Dividend" -- won't give us a long-term answer to a funding need that experts routinely refer to as lasting a decade or more. Another proposed solution, excise tax increases, has failed twice in the Senate.

Does a pressing need for additional drug funding still exist? Any one of us can return to our state and learn that, yes, more money can be readily put to use. Florida's administrator of federal law enforcement drug grants, Randall Kelley, told my staff yesterday that Florida could use roughly twice the federal dollars they received this year.

As Mr. Kelley has said, it's as if the states are in the unenviable position of the ship's captain with a hundred persons overboard and drowning, but with only a fraction of the lifesavers needed on hand.

It is an absolute fact that the war on drugs needs more dollars. What is sometimes overlooked is the important need for a consistent funding base to carry out this war. States and federal agencies must have a reasonably stable budget base if they are to maximize the effectiveness of the funds' impact. Budgets, contracts, and services often must be delivered on a multi-year basis; the underlying programs usually need more than one fiscal year to make their worth known.

The drugs and drug-related crime that plague our hometowns are the number one issue for Americans today. We in Congress should focus on solving the drug crisis by determining which federal resources are needed where, delivering those resources to the programs that deal with the need most effectively, and working to support a consistent level of funding for those same programs.

Drug War Bonds can offer a dedicated source of federal dollars to the Congress for these purposes. Because the legislation I sponsored is an extension of the current Savings Bond program, we won't need to create a new bureaucracy to administer the bonds. The proceeds from the bond sales go into a Trust Fund that is completely separate from the General Treasury -- Americans who buy bonds will know their money is going directly to the drug war. With drug bonds, American citizens can directly support the fight against drugs. Bond buyers, including young people, would have a sense of ownership in the solution.

And Americans like to buy bonds. They purchased almost $8 billion savings bonds in fiscal year 1989. When one of the staffers in my office recently had a new baby, the grandparents immediately purchased a Savings Bond for the new family member. Why? because Savings Bonds represent certain fundamental American values: savings, patriotism, and family.

And as a December 28, 1989, Wall Street Journal article pointed out, U.S. Savings Bonds can be a "good deal," too. Savings Bonds are described as one of the simplest and most effective ways to build a nest egg. Further, the article states that "Savings bonds are also a good choice for parents and grandparents to buy as gifts for young children, perhaps as a way to help them accumulate money to meet the staggering cost of college."

The Savings bond program is a success because it is seen as a sensible and patriotic way to invest your dollars. The potential of drug war bonds, properly promoted and enthusiastically endorsed by the President, the Drug Czar, the Congress, community leaders, celebrities, and financial institutions, could far exceed the Savings bonds' program history of quiet success.

I look forward to hearing from the Treasury Department on this matter. I hope the Department will give its whole-hearted endorsement to this idea, because the endorsement of the Administration is vital, I think, to Drug War Bonds success. Drug War Bonds could give us all something to work for, to get involved with, to contribute to. When you buy a Drug War Bond you'll be able to say that you've joined the battle against drugs. We need to set aside our cynicism and skepticism and support Drug War Bonds.

I thank the Committee for its time and attention.

Chairman ROSTENKOWSKI. Thank you, Senator Graham. Mr. Gilman.

STATEMENT OF HON. BENJAMIN A. GILMAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. GILMAN. Thank you, Mr. Chairman. I will try to be brief, and I submit my full statement for the record.

Mr. Chairman, I need not remind our committee, and particularly our good chairman of our Narcotics Committee, Mr. Rangel, who is here as a member of your committee, of how critical the problem has become nationwide and internationally. In our Nation, we are

faced with over a $150 billion financed drug war, financed by the drug traffickers, and we are spending only $10 billion trying to confront these drug traffickers, battling them on five major fronts. We are trying to reduce supply and demand at the same time, by eradication, interdiction, enforcement and education, treatment, and rehabilitation.

I want to commend the gentleman from California, Mr. Lewis, and our good Senator, Pete Wilson, and Senator Graham, for their excellent work on this measure. Essentially, what we are trying to do is to rally additional resources. We are not adding any new debt. We are just adding an addendum to the savings bond program that is presently in existence.

Mr. Rangel raised the issue about additional debt. Should we be cutting off the savings bond program? This is an addendum to our savings bond program, and allocating those resources for a particular purpose: to fight the drug war by keeping it in a trust program to do just that. We are continually searching for drug war funds. We have been reprogramming. We borrow from one program or another to pay for all of these important aspects of the drug war. This measure provides us with an opportunity to have approximately $4 billion additional, and even that is not enough. But it will help us with the prison program; it will help us with local law enforcement that we all know needs so much additional funding. It will help with the educational problems, the treatment and rehabilitation—all of those important aspects of the drug war.

So I urge my colleagues, please take a good hard look at this initiative. This is not a fly-by-night proposal. A lot of time and attention has gone into it. We have met with Treasury. We have met with OMB. We have met with all of the important agencies involved. If we need the funds, this is a viable way of doing it. It adds to the present savings bond program. It sets aside those funds for an additional effort. And, if we are truly going to fight a war—"fighting the war on drugs" has become a cliche—but what we haven't done is to provide the resources to do it. If we have adequate resources, we can win this war. We are beginning to make some inroads, but we need additional resources to do it. The drug traffickers have all they need, but our Government doesn't have the funding it requires. I hope that our colleagues on this committee will join together in helping us adopt this important proposal.

Thank you, Mr. Chairman.

[The statement of Mr. Gilman follows:]

STATEMENT OF REPRESENTATIVE BENJAMIN A. GILMAN, FROM THE TWENTY-SECOND DISTRICT OF NEW YORK, BEFORE THE COMMITTEE ON WAYS AND MEANS, REGARDING H.R. 2972, THE DRUG WAR BOND ACT OF 1989.

April 25, 1990

Mr. Chairman, Members of the Committee, permit me to commend you for holding today's hearing on the Drug War Bond Act of 1989. As an original co-sponsor of H.R. 2972, I am pleased that the Committee has provided us the opportunity to illustrate the case for this important initiative and urge the Committee's expeditious consideration of the measure.

Mr. Chairman, we are all too well aware of the need to combat drugs in our society. It is safe to say that all Members of Congress recognize the oft-quoted phrase "the war on drugs" as more than a cliche. It is safe to say that members recognize this war as more than the opportunity to make easy political points on a topic of general appeal. It is also safe to say that the one thing we have not done is recognize this challenge for what it is: as a war, fought like a war, requiring a war's full and total commitment.

In our Select Committee on Narcotics Abuse and Control, we have devoted a great deal of time to examining why our anti-narcotics efforts so often seem to fail in their intended goal of eradicating drugs from our society. Despite the problems -- partisan, parochial, financial, procedural, jurisdictional, societal, etc. -- and despite the many substantive controversies which stem from legitimate points of disagreement -- all policy makers -- both Democrats and Republicans, liberals and conservatives, Members of Congress and the Administration alike -- agree that we need more adequate resources to devote to the war on drugs, resources which are equal to match the scope and breadth of this difficult problem.

Mr. Chairman, as you and the Members of this Committee recognize, perhaps more so than most, the perils and obstacles presented by the intransigent federal budget deficit make funding for any new spending program difficult. As the Committee is well aware, in this year alone you may well be called upon to produce $13.9 Billion in new revenues, without violating the President's pledge against new tax increases.

These are legitimate problems. Yet despite them, we must not shirk our moral obligation to alleviate the crisis of drugs in our society. We must rise above our differences to provide adequate funding, the first essential element in the effort to combat narcotics. We must recognize this combat for what it is, a war waged by criminals, a war which criminals are currently winning, a war in which we have yet to provide the necessary total funding commitment.

H.R 2972 would authorize the Secretary of the Treasury to issue $4 billion in drug war bonds and drug war stamps, similar to the highly successful war bond programs undertaken during World War I and World War II. Mr. Chairman, the issuance of bonds was an acceptable and appropriate action in these previous instances of armed conflict, and it is equally necessary and appropriate for this war.

Despite recent gains in the areas of military interdiction, diplomatic initiative, and funding increases, we need to do still more in combatting the war on drugs. As the tension present in any local law enforcement or D.E.A. drug bust will indicate, the potential for violence in the drug war is equal to full-blown combat.

We need to give our police and law enforcement officers the tools necessary to do the job adequately. We need to provide more treatment and rehabilitation for the victims of narco-addiction. We need to provide more preventative education.

Unfortunately, Mr. Chairman, these efforts cost money, money which we sadly cannot commit in light of our current budgetary constraints. As the Committee Members are aware, I have proposed a modest increase in the excise tax on beer, wine, and cigarettes to be used solely for the war on drugs. This is one way to solve the problem. The issuance of drug war bonds is another. Revenues from the sale of drug war bonds and stamps would be placed in a trust fund to be used for the construction of prisons, for U.S. Attorneys, the F.B.I., the D.E.A., and for specified drug education programs. The President, in consultation with the Director of National Drug Control Policy, would authorize the use of these badly needed funds.

Through purchasing drug war bonds, scores of American people would be able to get personally involved in this life and death struggle. They would be able to raise a voice by contributing directly to the financing of this vital effort.

Mr. Chairman, whether we like it or not, the war is on. I urge the Members of the Committee to provide adequate resources to combat this war through enactment of H.R. 2972, the Drug War Bond Act of 1989.

Thank you, Mr. Chairman, for this time. I appreciate this opportunity to testify.

Chairman ROSTENKOWSKI. Congressman Paxon.

STATEMENT OF HON. BILL PAXON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. PAXON. Thank you very much, Mr. Chairman. Mr. Chairman, we all very much appreciate your graciousness in hosting this meeting. Mr. Archer and all the members of the committee, particularly Chairman Rangel, it is a pleasure to be here with someone who for so long has led our efforts in reducing and controlling the use of drugs in this country. We appreciate specifically your leadership. And certainly, to Mr. Lewis and my colleagues for their testimony today.

Mr. Chairman, I have the honor of serving with Mr. Rangel on the Select Committee on Narcotics, and since coming to Congress about 1½ years ago, I have been closely involved with our efforts to halt drug abuse. Without a doubt, I am convinced that drug use remains the single most pressing domestic issue our country faces. People across our Nation are unified in their desire to confront the terrible tragedy caused by drugs head on and take the necessary steps to make our Nation truly drug free.

However, among the folks back home throughout my district in upstate New York that I listen to, there persists a true feeling of frustration and at times helplessness. Recognizing the severity of the problem, people want to help, they want to get involved, but in many cases they just don't know how. Drug war bonds furnish an avenue for direct involvement in the war on drugs.

Issuing bonds and earmarking the proceeds to drug abuse and control programs is an ideal way to mobilize and involve our citizenry. Having purchased a war bond, people would have a greater sensitivity to our drug problem, and in my view a greater willingness to involve themselves in other civic activities dealing with drug abuse. In addition, I strongly concur with Mr. Lewis' comments about the benefits of the stamp program which will enable students from all grades to participate in this effort.

Mr. Chairman, I have held nine drug town meetings. Five thousand students have participated in my district in recent months. They have the opportunity to talk with us and tell us their views on what should be done about the war on drugs. We shared with those students the idea of this program. They are enthusiastic in encouraging us to proceed and to involve them with the drug war bond program. So while I have been stressing the educational or social benefits of this program, I do not want to slight or ignore the revenue benefits which are so important to this committee. By raising additional resources over and above normal expenditures, we can help satisfy some of these unfunded needs and do it in a way that is honest and fair to the American people.

As I mentioned, the Senate has already acted favorably on this proposal, and I encourage the House to follow suit. We cannot expect to win the war on drugs without the active involvement of each and every citizen of this Nation. There is no better or more effective way to achieve this than to enact H.R. 2972 into law.

Thank you, Mr. Chairman.

[The statement of Mr. Paxon follows:]

Statement of the Honorable Bill Paxon

before the Ways and Means Committee
US House of Representatives
April 25, 1990

Mr. Chairman--It's my pleasure to be here this morning to join with my distinguished colleagues in support of legislation, introduced by my colleague Mr. Lewis, establishing a drug war bond program.

I want to thank you, Mr. Chairman, for taking the time to arrange this hearing. The effects of illicit drug use involve us all, and I appreciate your willingness to consider a novel approach to fighting the war on drugs.

I also want to personally commend Mr. Lewis, who originated this idea, and has been its tireless and eloquent champion in the House. In addition, I am grateful for the leadership that Senators Wilson and Graham have shown in the other body, introducing companion legislation and passing it out of the Senate. These three gentleman deserve the lion's share of the credit for bringing the concept of drug war bonds to the nation's attention and for shepharding it through the legislative process.

I serve on the Select Committee on Narcotics, Abuse, and Control, and since coming to Congress last year, have been closely involved with our efforts to halt drug abuse. Without a doubt, I am convinced that drug use remains the most pressing domestic issue our country faces. Drugs are destroying our cities and neighborhoods. Families are left bankrupt and ruined with little hope for the future. And, in alarming numbers, children are being born themselves already addicted to drugs.

While it is true that we are making some progress in curbing casual drug use, chronic drug use continues unabated, as does use of powerful narcotics like crack.

People across the country are unified in their desire to confront the terrible tragedy caused by drugs head on and take the necessary steps to make our nation drug free. People are grateful that the president has spoken out forcefully on the issue and has proposed additional resources and new programs to combat drug use.

However, among the people I listen to, there persists a feeling of frustration and helplessness. Recognizing the severity of the problem, people want to help, they want to get involved--but they don't know how. Drug war bonds furnishes a solution.

Issuing government bonds and earmarking the proceeds to drug abuse and control programs is an ideal way to mobilize and involve the citizenry. I have talked with countless individuals who have asked me how they can personally become involved in the war on drugs. Allowing concerned citizens to purchase drug war bonds would fill a real need and also serve as a catalyst to encourage greater public participation in our drug control efforts.

Having purchased a drug war bond, people would have a greater sensitivity to our drug problem and, in my view, a greater willingness to involve themselves in other civic activities dealing with drug abuse.

In addition, I strongly concur with my colleague Mr. Lewis' comments about the benefits of the stamp program, which will enable students from all grades to participate in the war on drugs. Over the course of the past year I have held fifteen drug assemblies at high schools in my Congressional District.

Again the same message predominates: Our children are deeply concerned about drugs, many witness its terrible effects first-hand, and they want to do something about it. Raising money through a stamp program to purchase bonds would be an excellent way to teach good citizenship and the value of public spiritedness--at the same time reinforcing a powerful message about the dangers of drug use.

While I have been stressing the educational or social benefits of drug war bonds, I do not want to slight or ignore the revenue benefits. Unquestionably, we have dramatically increased our financial commitment to fighting the war on drugs, but we have no means provided sufficent funds to successfully wage this war.

By raising additional resources over and above normal expenditures, we can help satisfy some of these unfunded needs--and do it in a way that is honest and fair to the American people. The program is purely voluntary and relies on the plausible premise that people are willing to devote a portion of their income to fighting drug abuse if they are assured there money will be spent appropriately.

As I mentioned, the Senate has already acted favorably on this proposal, and I encourgage the House to follow suit. We cannot expect to win the war on drugs without the active involvement of the American people. There is no better or effective way to achieve this objective than to enact HR 2972 into law.

Chairman ROSTENKOWSKI. Thank you, Mr. Paxon.

I would like to make a comment and then open this up to a discussion, not exclusively to the panel but to my colleagues who are at the dais.

First of all, Jerry, I would like to commend you and your colleagues for having come up with this innovative idea. I have a question that I would like to address. As you know, many Members of Congress, on both sides of the aisle, believe strongly that we should finance the Government on a pay-as-you-go basis. I am one of those. If the war on drugs, the educational deficit that we have, the war on crime and homelessness, are true national priorities, I believe that we should be honest enough to pay for those Federal expenses and respond to them. And we should really truly respond to these difficult problems.

This proposal would finance the war on drugs by borrowing more money on top of the staggering debt that we presently have. I am sure that one would have to agree that we would be inconsistent with the pay-as-you-go concept with this idea. We are being asked to apply more direct dollars here than elsewhere, such as the child care problem that we have, and we have a bill presently in conference.

Now, this committee sits making judgments about what are the priorities and where should the dollars be going. As committed as you are—and I admire your commitment—other Members sit there committed to similar ideas that they feel are more a national priority. As you pointed out, Jerry, I remember in grammar school during the Second World War when we would buy 10-cent stamps and collect a book of $18.75, and then get a bond. And I am not suggesting that that wouldn't be a great idea. I am sure that the entertainment media would respond immediately to this. And I say this without question. I think drugs are the real crime in our society, and it is in everybody's house. There is no question in my mind. We may not be aware of it, but it is there.

I would just like to have you think out loud with us as to how do we approve of something that is narrowed down to a bond purchase specifically aimed at drugs, as opposed to a bond purchase exclusively aimed at the war on AIDS or any other disease. Mr. Lewis.

Mr. LEWIS. Mr. Chairman, the concerns that you express, the question that you are raising are very fundamental and important to the work of your committee as well as the House. I indicated in my testimony that the difference between World War II in terms of money around and today is that this debt overhang that America has is of great concern to all of us who really want to make sense out of our economy long term. No question that that is a priority.

Having said that, Mr. Chairman, that means that any additional debt we might consider must be carefully evaluated and applied to the most critical of circumstances. There are priorities and priorities around, but frankly, when I go back to my district and you do yours as well, at this moment in any community forum across the country, the number one—not the number five—the number one concern is the impact of drugs and its fundamental impact upon our institutions. It is way ahead of anything else, and the public senses, without any question, that without a solution—an answer that is an American answer—to this one, that all the rest probably doesn't count. The point being, I guess, that debt may not be bad—I say that with some caution. It may not be bad if the money is going to be used for something that is very, very important, and you do have some idea of the way you might be able to begin to pay it back.

I have outlined some provisions in this legislation that specifically have a tax checkoff to have money apply to help pay off some of the funds; early bond sales going into the marketplace for investment that in turn can help to build another pool for repaying the funds. Indeed, there is not any question that at the other end of this we could find ourselves in a shortfall, but I think a small shortfall. But debt alone or expenditure of capital alone is not the real key here.

During World War II, we were going to go into debt, or we were going to appropriate the money. Regardless, Congress was going to do that job. But Franklin Delano Roosevelt saw the value in this critical circumstance of mobilizing people across the country all the way down to children.

I can tell you, Mr. Chairman, when I sit down with a group of educators in my district talking about this number 1 priority, the lights go on when I——

Chairman ROSTENKOWSKI. Mr. Lewis, I don't disagree with Franklin Delano Roosevelt and the enthusiastic, patriotic commitment we had. We were fighting for survival.

Mr. LEWIS. Correct.

Chairman ROSTENKOWSKI. We were all in one war.

Mr. LEWIS. Correct.

Chairman ROSTENKOWSKI. If there was a success story about a war, World War II was that it was all of us. The failure of Vietnam and Korea is that the war was not all of us.

Mr. LEWIS. Correct.

Chairman ROSTENKOWSKI. And they were wars, maybe, that we should not have gotten into. I don't know. But when you talk about

priorities, there are other people in this very room that feel that their priority is not the war on drugs. Their priority is something else.

I am just asking you to understand what the situation is from the viewpoint of this dais. We have more suggestions about checkoffs on the tax form than you can imagine. And the one thing that we try in this committee, much, I should imagine, sometimes to the disappointment of the American people, is to try to make the form simple. We start having checkoffs, it will be like a lottery. And that is what we are concerned about.

Mr. GILMAN. Would the gentleman yield?

Mr. LEWIS. I would be happy to yield.

Mr. GILMAN. Mr. Chairman, that is precisely the concern we have. We have been talking about a war, but we have lacked the all-out commitment to fight that war and to provide the resources that are so sorely needed.

In World War II, we recognized that it was an emergency situation. President Reagan has designated illicit narcotics as a national security threat. President Bush has now said it is our number 1 priority. If we truly mean what we say, that this is a war on drugs, then it needs emergency action. This is an emergency initiative, an emergency measure, that will add to what we consider to be a proper method of obtaining additional revenue by adding to the savings bond program an addendum that earmarks some money for the war against drugs.

Mr. LEWIS. Mr. Chairman, if I could respond further, I have indicated changes, alterations that I have made to this package in dealing with OMB, et cetera. It is very obvious to you—I hardly have to say it, but for the record I would like to say it—that there are approaches within this package that you might suggest as alterations. But, indeed, there is not any question that mobilizing the public is fundamental to this, and a bond idea can work within the limitations that the committee might very well judge be best. Somewhere between now and conference, I would hope you would help me with those ideas. Indeed, I am sure—I know that you are ready to fight this war.

During Vietnam, we were willing to impose an excise tax, for example, for funding. I must tell you, I don't see any way that a bond-designated money flow directly to this war isn't just as good as that idea. But, nonetheless, let's get into the war in a direct way, and let's mobilize the public as we do so.

Senator WILSON. Mr. Chairman?

Chairman ROSTENKOWSKI. Senator.

Senator WILSON. Unfortunately, we have been adding to the national debt at the level of approximately $250 billion for most of the last 5 to 10 years. Unfortunately, even with the most heroic efforts to begin to reduce that deficit, we will still have significant Federal borrowing for the foreseeable future. Last year, we financed $8 billion of that $250 billion of additional national debt through the savings bond program. We will have ample opportunity as we move down the level of annual increments to that national debt to see that a portion of that is done through this particular program.

I think the real question, Mr. Chairman, is the one that you have been touching upon, and that is a value judgment. Is it appropriate to say that we will designate through a specified linkage between the person who lends to the Federal Government and the ultimate purpose for which those dollars are spent? Is it appropriate to have such a designation as it relates to the Federal Government's various antidrug efforts? That is, in essence, a political value judgment.

In addition to the importance of winning the war on drugs for all the reasons that have been cited, I think there are other reasons which make this an appropriate area for that direct linkage: the absolute fundamental importance of mass public involvement and a sense of participation in order to be successful; second, the intergovernmental nature of this program and the requirement that people at the local and State level feel that they have a reliable partner in Washington. I would cite the article in today's Washington Post about the meeting of the Conference of Mayors which is going on here as an example of the lack of that sense of a reliable Federal partner, the integrity of the Federal Government. We have been saying now through four, going on five, Presidential administrations that the war on drugs was a very high national priority. We have, in my opinion, the sanctity, the honor of the Federal Government on the line in terms of our success in this undertaking.

Those are reasons why I think this is an appropriate area for that linkage.

Chairman ROSTENKOWSKI. Senator and gentlemen, I do not mean to sit here and disagree with you.

As was pointed out here, and my time is certainly up, but if there is any value to what you are suggesting, and only because I experienced it, it was participating in a purchase of a stamp, saving it to fill a book, and then turning it in for a bond. And the purchase of the bond isn't worth as much, in my opinion, as the fact that the kid is saving the money to buy the stamp, because then that kid is participating. And maybe if his peers are involved in this, the peer pressure of drugs can be overcome.

And so if that was the impression that I had when I was a boy, and there was a war on, I think the effect could very well be a positive impression on children in school.

If there is any value to this, I think that is the principal value.

Mr. Archer.

Mr. ARCHER. Mr. Chairman, I agree with your last statement, and I must say you ask a valid question. If we do this for drugs, will we be under pressure to do it for other worthwhile causes? And I have searched my soul about this, and believe that this issue is distinguishable from other causes in many different ways. And as a result, I find myself in support of this approach.

I would also like to ask the author if he would agree that this need not necessarily add more spending that would increase the deficit of the United States. Rather, these funds which are set aside for this purpose would still be considered in the overall approval process by which the authorizing and appropriating committees make their judgment as to how much to appropriate. In so doing, it could be that the net impact would not be any significant amount of new spending and debt but, at the same time, we would get the benefit of what the chairman referred to, of reaching out and in-

volving the entire Nation in this cause which you have so well articulated to the committee, particularly with the young who are so much at risk to this blight of drugs.

So I would wonder if you would agree with me on my point of the authorizing and appropriating committees taking this additional money into consideration when they make their normal deliberations?

Mr. LEWIS. Mr. Archer, as well as Mr. Chairman, I very much agree with your statement. As I tried to indicate in my testimony, I began at another point, recognizing all the pressures, not just here but, you know, we must deal with the bean counters downtown as well.

There was need for accommodation. Indeed, I think the key here if we follow the line that you suggest, is that the Ways and Means Committee would be highlighting a form of capital flow that indeed we would want to have designated within a current debt pool as money that ought to be directed towards the war on drugs.

Indeed, this committee would be sending a message to my own committee, the Appropriations Committee, saying let's give priority. And just as important, we also would be tagging another star on this package of money the chairman mentioned, and that is a vehicle to motivate those kids to get involved with the elementary classroom.

So there is not a need in the final analysis for this to be additional debt. I would look to your advice and counsel relative to our developing the mechanism appropriately.

Mr. ARCHER. Thank you.

Chairman ROSTENKOWSKI. Mr. Cardin.

Mr. CARDIN. Thank you, Mr. Chairman. I want to compliment my colleagues not only for their testimony today, but for their work over many years in fighting a war against drugs, not only here at the national level but the State and local levels.

I am having a hard time following whether the principal motivation behind this legislation is to provide an additional advertising tool for the sale of Government savings bonds, or whether it is a tool to help the war against drugs.

Mr. Lewis, in your statement, you indicate that you have made a concession in moving the trust funds on budget and scoring it for Gramm-Rudman. I have got to follow up on that because I want to make sure I understand exactly what this bill will do.

Would the receipts from the savings bonds be scored as revenues for the purposes of Gramm-Rudman or not?

Mr. LEWIS. Mr. Cardin, the bill in its present form doesn't contain all of the amendments that would have merit and to which I would be willing to respond. We were attempting to use a debt vehicle, namely bonds, as a means of developing new revenue that would flow to a specific pool to be used in the war on drugs in a variety of ways. A good deal of discretion on the part of the administration with the direction of Congress would be desirable.

I see myself moving in a path that would suggest that such bonds will most likely, from the House's perspective at least, fall within our existing pool of debt, a piece of that revenue created by bonds, thereby being designated for the Congress.

Now, frankly, I am not a member of your committee and not in a position to say to you how you define how those bonds flow. I think they are revenue. You may not define them that way.

Mr. CARDIN. My problem is this. There are a lot of things that we do with good intentions, and then we look at it afterwards and we realize we haven't done very much. And I don't want to create more blue smoke and mirrors.

I am concerned about what is meant by moving the trust funds on budget and scoring them for Gramm-Rudman purposes. If this means that we can go out and borrow $4 billion, perhaps appropriate $1 billion of that $4 billion for drugs, keeping the other $3 billion as a surplus in this trust fund, so we have gone out and incurred $4 billion more in debt, and we scored $3 billion towards bringing the deficit more into balance, then we have just created another gimmick, and I think the school kids will catch on pretty quickly.

Mr. LEWIS. You have helped me understand your question. And frankly I could not agree more with your concern.

My intent—and I would hope your committee, as well as your staff, would help us to assure this—my intent is to have any bonds that flow through this proposal be money that goes into a pool that will be spent, first, to carry forth those priorities outlined in the bill in terms of fighting the war but, second, any moneys that might be in a surplus to be accumulated for a short time by investment in the marketplace to be applied to repay the bond holders.

I would hope not a piece of what some describe, you know, as the song and dance and the mirrors around this place that often confuse all of us. There obviously are time gaps that are a problem. I have the same difficulty with the budgetary process that you expressed concern about. That is not the intent of this legislation.

Mr. CARDIN. I just urge you to avoid setting up a mini-Social Security trust fund situation where there will be a lot of pressure to accumulate a surplus.

And again I know that is not your intent——

Mr. LEWIS. It is not my intent.

Mr. CARDIN. On the other side of that equation, if we don't score it, then perhaps I should come back to Mr. Archer's point, and that is we would then be competing with other funds for whether these moneys will actually get appropriated or not.

Mr. LEWIS. There is not any question that as you and I attempt to deal with the priorities that we see, we do have to deal with the bean counters downtown. And some of that langauge is reaching out to that other marketplace.

It is our intent to create a source of funds that Congress would designate to fight the war on drugs, not use it for budgetary purposes; indeed, to link that then to this effort to mobilize the American public.

Your question is very important for the record, and I appreciate the thrust of it.

Mr. CARDIN. My time is running out and there are a couple of other technical points. But I think we will sit down and talk about it beyond today.

Thank you very much, Mr. Chairman.

Chairman ROSTENKOWSKI. Mr. Rangel.

Mr. RANGEL. Thank you, Mr. Chairman.

I think at some later point we can question whether or not we should be borrowing from the children, as an educational experience to teach them the dangers of drugs, especially since most of the kids who are at risk are very poor kids themselves. And certainly, we can find some way to get funds to improve the quality of education and the school building.

But when you agreed with Mr. Archer, and agreed with Treasury, I think you wiped out Mr. Gilman's argument. My colleague and friend, Mr. Gilman, was saying that in order to have this commitment, we have to put up the resources in order to fight, and that you can't do it unless the money is here to do it with. They question whether it should be for Federal prisons, but that's not important.

You agree that this would come under Gramm-Rudman and be on budget.

Mr. LEWIS. I frankly have agreed——

Mr. RANGEL. You have agreed with Mr. Archer that this would be subjected to the appropriations process. Did you?

Mr. LEWIS. Just one second. Mr. Chairman, I suggested—I have agreed that this package will have to be on budget.

Mr. RANGEL. Yes.

Mr. LEWIS. That is not where I started from.

Mr. RANGEL. I know where you started. I'm talking about where you caved in.

Mr. LEWIS. Wait just a second. Before we suggest automatically, that I suggested that the Appropriations Committee would automatically readjust this for their priorities, this committee would be involved in that process directly.

Mr. RANGEL. Mr. Lewis, I know where you started.

Mr. LEWIS. That's correct.

Mr. RANGEL. I am talking about where we are today. I am talking about my friend, Mr. Gilman's commitment that the money be put on the line. And I am suggesting to you that the only thing you are doing is just borrowing more money, using the kids to do it, subjecting it to Gramm-Rudman, and allowing Mr. Darman at the Office of Management and Budget to make the same priority decisions.

Mr. LEWIS. I see——

Mr. RANGEL. You might be able to say during the course of the debate, you know, we raised this money differently. But borrowed money, whether you borrow it from kids or whether you borrow it from the Japanese, is the same indebtedness.

Mr. LEWIS. I see, Chairman Rangel, that I have some way perhaps not communicated clearly or sufficiently the value I see in the debt vehicle that, in part, is financed by kids' participation. And I hope you would bear with me on this.

Mr. RANGEL. I am with you on education. I want this——

Mr. LEWIS. Wait, wait. No, I understand——

Mr. RANGEL. Mr. Gilman said there will be additional funds available to fight the war on drugs. And I am suggesting to you that the funds go into general revenue. And there is no indication that there might be one red cent additional.

Mr. LEWIS. Mr. Rangel, if you will bear with me.

Mr. RANGEL. OK.

Mr. LEWIS. It is my view and, indeed, I would be more than pleased if this committee chooses to allow us to issue bonds that are specifically limited, directed for this purpose as outlined. And indeed I would be very excited about that and help you with dealing with the administration as well.

But it is very important that you help me with this point as well. Kids needs to learn about savings at the second grade. It would be valuable for kids in my community, rich and poor alike, to learn about the value of savings. But more importantly than that, to have kids participating in a program——

Mr. RANGEL. Mr. Lewis, I only get 5 minutes, but you're not going to address the question of additional revenues at all, are you?

Mr. LEWIS. No. The bill does address the question of additional revenues. Whether or not your committee——

Mr. RANGEL. My own question, before the chairman gavels my time away, that I am asking you, is that Mr. Gilman said additional revenues. You have agreed with Mr. Archer, you have agreed with Treasury that this is going to be on budget, subjected to Gramm-Rudman, and subjected to the appropriation process. So that they could say we had $10 billion for the war against drugs, and now we have raised $4 billion by bonds, so we now only have to appropriate $6 billion.

There is nothing in this legislation which mandates that one additional nickel goes to the war against drugs.

The only thing you are doing is providing a vehicle for kids to be "educated," and also contributing toward the general revenue. Some of this may be used to support subsidy for tobacco, and some may be used for the war against drugs.

Mr. LEWIS. Mr. Chairman, the bill before you does provide for $4 billion of additional bonds. I have indicated the pressures that are on.

If you can help me with the votes, Mr. Rangel, I would love to produce $10 billion of new bonds for this purpose.

Mr. RANGEL. But you need a lot of help though, because you have already agreed with Treasury and Mr. Archer that this may not bring one additional nickel to the war against drugs.

Mr. LEWIS. At this point, the bill does provide additional revenue. I would be very, very happy to take such a bill from——

Mr. RANGEL. But that is not the bill you are supporting at this hearing. You are supporting the bill as amended.

Mr. LEWIS. The bill has not been amended yet.

Mr. RANGEL. You suggested to this committee that you are going to amend it.

Chairman ROSTENKOWSKI. I think, Mr. Lewis, if we are going to write a bill in this committee, we are not going to let Darman put his hands on it. [Laughter.]

Mr. LEWIS. Mr. Chairman, I would love to join you in that.

Chairman ROSTENKOWSKI. Mr. Schulze.

Mr. SCHULZE. Thank you, Mr. Chairman.

I, too, am one of those who remember the days of 1942 and 1943 and 1944 and 1945——

Mr. LEWIS. That is hardly possible. [Laughter.]

Mr. SCHULZE [continuing]. Collecting newspapers and rendered fat and grease and taking it to the store, and taking that money and turning it into savings stamps, and then into war bonds. And we did feel that we were participating in the effort.

I might say at the same time we had stamps for gasoline. We had stamps for butter and for dairy products and for meat. And so we were used to handling stamps and using them for a variety of items because there was rationing and there was tightness in the economy because everybody was working together for this great goal.

And I think we are going to solve this drug problem. We need that same type of commitment. As my colleague from New York was talking about the funding situation, I wondered in my mind whether we should sort of combine.

I think the gentleman from California may be aware of my approach which is a little more drastic than his. And my bill is called the Bounty Hunter's Act of 1989, and it says if you turn in a drug dealer, you get half of his assets. Well, maybe we could take the other half of those assets and apply that to utilization of paying off these obligations, or use them in the war on drugs.

So perhaps we could find a source of funding. Now, I realize the Bounty Hunter's Act is a little more drastic than most Members of Congress want to go, and that is why your approach is a reasoned middle ground, and I commend you for it. I think it is important that we have this type of proposal put forth.

But tell me, if you will, Mr. Lewis, how we will engage the intention of the American public, through the drug war bond sales, so that we can begin to change the attitudes about drug use.

Mr. LEWIS. Mr. Schulze, within the bill, we suggest that the money that flows would go to—my testimony indicates that a generally outlined series of areas like supporting—additional support for law enforcement, for education programs, for efforts of the schools, et cetera.

We already have programs that are trying to reach down to the schools as well. So this would supplement many of those. It would indeed be available for helping many of those programs.

But, as a practical matter, we need something beyond that. I am not going to be able to really specifically answer your question except to say this——

Mr. SCHULZE. Do you have any examples or sort of demonstration projects that might illustrate?

Mr. LEWIS. My thought is this. If, indeed, a sense of ability to participate is felt by the public across the country of the kind that you outline from your own experience, and you get these role models who are in the theater business, movie actors, television or otherwise, really promoting young people and family involvement, that in turn will see this capital be able to flow back to schools where kids will be selling magazines again to collect money for savings and, in turn, they won't be using it to buy Jeeps, but they will be using it to help fund a clinic in their own community that will be providing care for people who are involved in drugs.

It is a pretty tight circle with tremendous potential. But the key is mobilizing that American spirit.

Mr. SCHULZE. Would you recommend that States perhaps even look at this program, or do you think it should just be Federal, that maybe it might be a State initiative which could be successful.

Mr. LEWIS. There is not any question in my mind that you need Uncle Sam involved. A mobilized America is a unified America. But I think this would catch fire in the States, and places like Pennsylvania and California would be responsive and, indeed, their own innovation would be more than welcome. And I think we would stimulate their involvement.

Mr. SCHULZE. Your stamp idea is designed to involve children. But the administrative costs seem to be fairly high.

Are there other suggestions of ways to attack this that the cost might not be so prohibitive?

Mr. LEWIS. You know, I have heard that the administrative costs of a stamp program might be high. But, indeed, you suggested that in the past, when we have had serious challenges to our institutions, we found the payoff to be more than worthwhile. Those kids being involved in the elementary classroom are going to change the teacher's job in that classroom. Once again, they will be teaching and getting kids to respond.

There is a price to fight this war. That is one of them. Some administrative overhead, if you will. But frankly, we are spending an awful lot of money right now that is not getting results. And I think this new mechanism might very well be worth a small price.

Mr. SCHULZE. I thank the gentleman for his questions and answers and responses, and I thank him for his initiative in this area. And I wish him the best in success.

Thank you, Mr. Chairman.

Chairman ROSTENKOWSKI. Mr. Stark.

Mr. STARK. Thank you, Mr. Chairman.

I am excited to see my State's junior Senator and Mr. Walker from Pennsylvania, Mr. Vigarie, Mr. Landon, all getting behind, I gather, Mr. Lewis, this Citizens' War on Drugs Bond Act. I understand that $5 million has been raised from 300,000 people, that these gentleman have all joined in with Mr. Chapin to support a bill that they contend will do some wonderful things.

These gentlemen, Senator Wilson taking the lead I gather, had agreed to spend some of this money to sterilize mothers of addicted children, to have boot camp type prison camps that will beat some sense into these offenders. They will charge participating States a per capita amount so that the Federal Government won't have to retire these bonds. The States are going to be called on to pay for all of this, and I know that Senator Wilson, in his campaign for Governor, wants to go home and talk about sterilizing the mothers of drug-addicted infants, and charging the States enough money for each drug person arrested to pay back these bills.

And I am glad to see that my colleagues have recognized the leadership of Mr. Vigarie and Roger Chapin in this fight. And I hope that when the Senator is back with me and when Mr. Lewis is back with me in California, either we can move together to salute the patriotism and the fervor with which these gentlemen won a fight in this war.

I have never been so excited to see the creativity and the conviction with which dedicated citizens have finally used their creativity to get at the problem, the root cause of this problem.

Mr. LEWIS. Would the gentleman yield?

Mr. STARK. I am just surprised that they haven't come up with even further things. And we are going to hear from the author, the creator of this; imagine, 100,000 Americans raising this $5 million to support Senator Wilson's campaign for governorship.

And I just can't tell you—I am ashamed that my party didn't think of equally horrendous things because I want to tell you, this ought to send a real shiver up and down the spines of people in my district who are having real trouble with the drug problem.

And I think they are going to look to President Bush, Senator Wilson and others, and say I'm glad that we got tough, and I'm glad the people in California are going to be called on to pay off these bonds which are going to be used for these kinds of Nazi-like prison camps and sterilization programs.

I am sure that the women in California are going to rally behind this and just link arms with Senator Wilson and my colleagues.

So I want to commend you, a tip of the hat to some creative Republican thinking. And I'm just sorry that Mr. Chapin dreamed this idea up before the rest of the Republicans who are supporting it. Because it really, I think, will focus attention on what is behind this war on drugs.

And, Mr. Chairman, I want to thank you for giving us the time to call attention to this act, and I hope that it gets the scrutiny it deserves.

I yield back the balance of my time.

Mr. LEWIS. Mr. Chairman, I appreciate your letting me at least make a comment. It took me a moment to really try to figure out where my colleague from California was coming from. He's referring to proposals that are not my proposals, by an outside group, that's separate from my bill. They are people who I've even separated myself——

Mr. STARK. The gentleman protesteth too much. He copied Mr. Chapin's bill word for word.

Mr. LEWIS. Mr. Chairman, I do appreciate your courtesy, Mr. Chairman. Indeed, I would refer to my own remarks in which I suggested should we find ourselves in World War II at a time where Democrats and Republicans were making partisan rhetoric out of our efforts to fight the war while people were dying overseas, indeed the people would be outraged.

I think they would be outraged if we attempted to make partisan bickering out of this process. It is much more important than that. And, indeed, the public knows it is a war if others do not.

Chairman ROSTENKOWSKI. Mr. Shaw.

Mr. SHAW. Mr. Chairman, I am somewhat dismayed at this particular time in the comments that are coming from the committee with regard to probably the biggest threat that is facing the future of this particular country.

Unfortunately, in the Congress for too long, for almost 10 years that I have been here, I have seen, year after year, partisan bickering over the biggest threat to this country since World War II. And if we do not pull together, and if we do not act as a responsible

Congress in addressing this whole issue on drugs, then we are going to lose the future of this country.

Mr. Chairman, I agree with you emphatically about concerns of the deficit and I know we have to be responsible. And I think this committee, perhaps more than any committee of the Congress, has acted responsibly in trying to meet our obligations with regard to the deficit and the Gramm-Rudman targets.

However, having said that, I have to say I am very concerned about the partisan lines in which we seem to be falling apart here. In the Senate, they join together. In the Senate, we see Senator Graham and Senator Wilson coming together and supporting each other in this effort. All right.

Mr. Rangel made the point, and rightfully so, that what we are doing is borrowing from our children. We would be borrowing from our children. But I prefer not to use that. I prefer to use a phrase that we are giving our children an opportunity to invest in America, to invest in the war against drugs, just as we gave them the opportunity to invest in tanks and Jeeps back in World War II.

All of us who are in politics know if you want to get somebody's support forever, have them give you a dollar for your campaign, have them sign a petition, have them walk a precinct, have them stand on the corner, have them do something, do something in order to further the cause which you are trying to run for.

The same is quite true in our war against drugs. Give these kids the opportunity to invest, whether it is a dollar, a dime or $10. They are investing in our war against drugs. And I think this is one of the most innovative and one of the newest ideas that I've seen come to this Congress.

Every time I think we are about out of ideas and there are no new ideas out there with regard to fighting drugs, a new one does pop up. And this one is one that deserves, I think, the overwhelming backing of this committee and of this Congress.

And I would like to compliment Mr. Lewis for taking this initiative, Mr. Gilman for the leadership that you have given, and Mr. Wilson and Mr. Graham in following this through on the Senate side. I think it is a tremendous, innovative idea.

Jerry, you and I talked about it before you filed the bill. You were very cautious. It wasn't something you woke up with just one morning and dropped the bill in the hopper. You talked to a lot of Members of Congress, I am sure on both sides of the aisle. You talked to the people down at Treasury, you talked to the administration, and you are continuing to talk. And there are some wrinkles that need to be ironed out in this bill.

But this bill does deserve the support of this committee. The growing deficit is a time bomb that is sitting there and it's ticking, and we had better do something about it. But the time bomb, as far as drugs, has already exploded. The fire is already in the kitchen, in the living room, and just because we are sitting up in the bedroom, we can't sit and say we are not going to worry about it.

When I came to the Congress just 9½ years ago, crack cocaine was not something we were even talking about. We didn't know about it. Now, 20 percent of the babies born right here in Washington, D.C. are born to parents who have used illegal drugs. Two children in every class now coming up through our elementary schools

are born to women who have abused drugs and, in some way, they have behavioral problems, mental problems, and their life is already struck.

Now, if that is not a crisis, and if that is something that we can't join together in a bipartisan measure to declare war on, absolute war on, and include all of Americans from kindergarten right through 12th grade and right to Social Security ages, then this country is definitely going to fall apart.

I would hope that we could work very strong, hand in hand, to come up with the initiatives that Mr. Gilman, Mr. Lewis, Mr. Rangel and so many of the people in the Congress of the United States are fighting for so hard, and put partisan bickering aside and decide, by God, this is a war we are going to win and we are not going to lose our country over the abuse of illegal drugs.

I would yield to any of the members sitting at the table that would want to comment.

Mr. LEWIS. Mr. Chairman, first I thank my colleague for that comment.

Mr. Chairman, I think that our portion of your agenda has used more than its share of your time. And I appreciate very much your courtesy.

And also, Mr. Chairman, I want you to know how much I appreciate your personal attention to this matter and recognition that this is hardly an issue that is a partisan issue.

Let me emphasize as I close that I think the committee knows better than me, you are the specialists in this field, but when bonds are issued, new money does come in. I agree with Mr. Archer that it's possible to substitute that money for existing money.

I have not agreed here to let appropriations control the money. But that is an option. I want the committee to help me with that process. Either way, Congress, in the final analysis, either appropriates or does not appropriate.

Let me conclude by reemphasizing, Mr. Chairman, while I express once again my appreciation, the President and many other Americans have said there is no match for united America, a determined America, and an angry America. The American public is angry about the impact of drugs upon our society. It is Congress' responsibility now to respond and give them a vehicle for participation.

Thank you, Mr. Chairman.

Mr. GILMAN. Mr. Chairman, first of all, I want to thank the gentleman from Florida, Mr. Shaw, for his comments in support of the measure. I would like to point out that the Ways and Means Committee, and the Congress have previously approved tax-favored bonds that are already available for mortgages, for housing, for industrial development, for other purposes that were considered to be priorities. If they were considered priorities, certainly fighting drugs is a priority for our Nation. It is hoped that your committee will give favorable attention to our proposal.

Thank you, Mr. Chairman.

Chairman ROSTENKOWSKI. Mr. Jacobs.

Mr. JACOBS. Mr. Chairman, Mr. Lewis, did you say that in financing the Vietnam war, there was an excise tax, and whether you do

it by excise tax or do it by borrowing, it's about the same? Did I hear you say that?

Mr. LEWIS. No. I frankly suggested that Congress has many a vehicle for funding their priority efforts. During the Vietnam war, we chose an excise tax. That is one vehicle for raising money, which we then designate for whatever priorities we have.

We used bonds, as Mr. Gilman just indicated, for a number of purposes. I would say it is a difference in viewpoint as to which might be the best vehicle for funding at *x* time.

Mr. JACOBS. Which do you think is the better?

Mr. LEWIS. In this case, my bill proposes a war bond effort to mobilize the American public to help fight the war on drugs.

Mr. JACOBS. So you think it is better to borrow to pay current expenses than do it with current revenue?

Mr. LEWIS. With a new commitment on the part of the American public, including families and children, to save the money to repay those bonds, I do.

Mr. JACOBS. Yes. That used to be a mortal sin for a conservative to borrow money to pay current expenses, didn't it?

Mr. LEWIS. Except for times of crises, Mr. Jacobs.

Mr. JACOBS. In time of crisis.

Now, I hear it said that drugs are the biggest threat to the United States right now. Do you agree with that?

Mr. LEWIS. Frankly, I didn't hear your question. We had——

Mr. JACOBS. I said do you agree that illegal drugs are the biggest threat to the United States right now?

Mr. LEWIS. Drugs and the related crime that's connected to them are the biggest threat to our institution.

Mr. JACOBS. I understand. That would mean that it is a greater threat than, say, Russian missiles destroying our land-based MX missiles?

Mr. LEWIS. At this point in time, I believe the greatest domestic threat we have is the need to fight the war on——

Mr. JACOBS. Well, that is an international threat, drugs, isn't it?

Mr. LEWIS. And, frankly, I must say in terms of apparent immediate threat, it is the primary threat.

Mr. JACOBS. Right. So would you say that the war on drugs is more important than the "Emperor's New Star Wars"?

Mr. LEWIS. It is the most important challenge facing the Congress in my judgment.

Mr. JACOBS. What did you think about the amendment a couple of years ago to take some money out of the "Emperor's New Star Wars," and put it in the war against drugs?

Mr. LEWIS. Mr. Jacobs, frankly, we are here to talk about the war on drugs, and I would love to debate that other subject with you somewhere else. But I am not sure that really fits because we could talk about——

Mr. JACOBS. It fits just fine because it is a question of priorities. Would you take some money away from some other things it is being spent on, like junkets maybe, or like farm tobacco subsidies, and put it in the war against drugs?

Mr. LEWIS. Mr. Jacobs, I give the highest priority to the war on drugs without any question.

Mr. JACOBS. So you would take it away, say, from—cancel the tobacco subsidy program and put that money in the war against drugs?

Mr. LEWIS. If I had to make a specific choice, one program over another, the war on drugs is my highest priority.

Mr. JACOBS. And that would go for Star Wars?

Mr. LEWIS. And that would go for almost anything I can imagine.

Mr. JACOBS. Right. Well, I was just curious because there was an amendment on the floor just awhile back to take some money out of Star Wars and put it in the war against drugs. Did you support that amendment?

Mr. LEWIS. Frankly, I must tell you that the choice for me was not one or the other. I thought we could do both in that instance.

Mr. JACOBS. You thought we could do both by what, tripling the national debt?

Mr. LEWIS. The Congress has managed to do that since I've been here.

Mr. JACOBS. Exactly. And I understand using the money in the war against drugs. I don't understand the logic that says you teach children that going into debt is the way to do it rather than raising taxes to pay the current expenses currently.

Mr. LEWIS. Oh, I see.

Mr. JACOBS. That escapes me.

Mr. LEWIS. Mr. Jacobs, somewhere I didn't communicate with you either, and I apologize for that. That is to say what we hope to do is to teach children that savings, with their Congress responding in a fashion that will apply those savings to the war on drugs, can be very meaningful to their lives and help them solve problems as well.

So, encouraging children to save is not a bad thing

Mr. JACOBS. Well, by that definition then, the U.S. Government going more deeply into debt becomes somehow noble.

Mr. LEWIS. I must say saving——

Mr. JACOBS. You might even say you load 16 kilos and what do you get, another day older and deeper in debt.

It just seems to me that if you are going to——

Mr. LEWIS. That sounds like a very good line.

Mr. JACOBS [continuing]. If you are going to fight a war on drugs, one thing you might ask of the American people is not to shove the price of it off on our unborn children. Ask them to give up maybe a gallon or two of gas for a car or something today, and pay for it.

Now, there is a sobering drug-free reality.

Mr. LEWIS. Mr. Jacobs, I am really surprised to see you and I disagree perhaps on something——

Mr. JACOBS. Well, I hate it because we are next door neighbors frankly, and I can't think of a better neighbor I have ever had than Jerry Lewis. When we need to borrow a cup of sugar, why, it's just beautiful

Mr. LEWIS. I really am surprised, but I do welcome you to the war on drugs, Mr. Jacobs.

Chairman ROSTENKOWSKI. Thank you, Mr. Jacobs.

Mr. Pease.

[No reply.]

Mr. JACOBS. I'm a former police officer, Mr. Lewis, I was fighting the war on drugs——

Chairman ROSTENKOWSKI. Mr. Gibbons.

[No reply.]

Mr. JACOBS [continuing]. Before you ever thought about it.

Chairman ROSTENKOWSKI. Mr. Dorgan.

Mr. DORGAN. Mr. Chairman, I am reluctant to intrude in this spirit of harmony. [Laughter.]

I just walked in and I was taught not to walk across the street and jump in the middle of a fight. But apparently, I'm going to have to cross the street.

Let me, in a serious way, tell you that there, I think, is not disagreement here in Congress about whether we wage a war on drugs. Clearly, this country has a problem. I think in a bipartisan way we have decided we need to do something and do something serious and immediate about this problem.

The question is not whether, it is how, how exactly do we address it and where do we find the resources. The reason all of us serve and run for elections is that it's a competition of ideas in this country, and hopefully we will be able to extract the best of all of the ideas that exist here rather than land on the worst of each of the ideas that we bring.

And I think the discussion this morning, while interesting, probably doesn't reflect the concern that some of us have about this.

I just read the report last evening before this hearing. And, frankly, I tend to come up with the same basic instinct that a number of my colleagues have expressed. You wonder whether this isn't just another way, and I've seen dozens of them over the last years, to figure out how to avoid the responsibility or requirement to raise resources now to meet America's critical needs now.

And if that's the case, then I don't think it makes much sense.

Mr. LEWIS. I agree with you, Mr. Dorgan.

Mr. DORGAN. I think President Johnson, incidently, increased the income tax with an income tax surtax in the late 1960's as a response to the Vietnam war. He needed some additional money and it was a very unpopular decision. But I think he used the income tax.

But I am just saying that I think we have declared war effectively, and most folks understand we have declared war against drugs. We have not yet decided as a group of Republicans and Democrats, President and Congress, exactly how we are prepared to pay for that.

You're offering one idea. I think it is probably not the best idea because I think the best idea would be to say to the American people, there needs to be a day-to-day, week-to-week, month-to-month accounting for all of us in this country, about what we expect the money to do, and that we need to raise the money to do it along the way.

The failure to do that, it seems to me, further chokes a country that is already choking on debt. So I think this is an idea that is worthy of discussion. It is part of the question of how we finance this declared war.

But my instinct tells me that I would much sooner the President, Congress, Republicans, Democrats decide what we need to do as

Americans, and then decide exactly how we pay for it by asking Americans to pay for it as we go.

Mr. LEWIS. Mr. Dorgan, I appreciate your thoughtful comments as well as the implied question involved. I must say that I find a difference between people who are concerned about where the money might come from and how we will repay it. All of us share that concern and frustration, and those people I deal with in my own public, especially those who experienced this stamp book. You have seen people who saved money during the war through this vehicle and felt they were participating. It was not as though the Congress was not going to appropriate the money, by income tax or otherwise, to fund that war.

But when you talk to a group of school teachers, I started to say earlier, the lights go on when you see the frustration because they cannot get their job done in their classroom. But they might be able to get kids attached to saving money and a sense of participation. You combine that with America's great potential for public relations force through the media, the movie industry, et cetera. We need to really get the public mobilized. And that is where the idea——

Mr. DORGAN. And I like that part. I understand what you are saying. I read that last night. But Mr. Lewis, there is another addiction that is occurring in this country, and that is an addiction to debt.

Mr. LEWIS. I understand.

Mr. DORGAN. And your proposal does not respond to that addiction. It probably exacerbates the addiction. And the only question I have is why bonds for this? This budget proposes $5.5 billion for five B–2 bombers. And that is a question of priorities. But I am saying that we have an addiction to debt that has been occurring for years. Whose fault? We could point fingers every day. Most of us ought to point at ourselves, all of us, the Presidents and Congress.

And I think you are raising some interesting questions here. But I think the skepticism that you meet by those of us whose responsibility it is to raise the resources with which to finance this Government is skepticism that says, "Isn't this just another way around the obvious need today to make choices about what we spend our money on, and how we find the money from the American taxpayer to do it currently?"

I have got a couple of young children who we are going to saddle with tons of debt, and I do not like that. I think we are moving in the wrong direction. So that is the reason for the skepticism.

Mr. LEWIS. I understand the skepticism.

Mr. DORGAN. Thank you very much, Mr. Chairman.

Chairman ROSTENKOWSKI. Mr. Sundquist.

Mr. SUNDQUIST. Thank you, Mr. Chairman. And I want to express my appreciation to my colleague and also to Mr. Gilman who brought us another weapon in the arsenal for fighting drugs.

Mr. Chairman, I am disappointed. I am a new member of the Ways and Means Committee. I am disappointed in the tone of the debate. I do not think it helps when the intentions and integrity of individuals are challenged in attacks that tend to be personal, or when the use of the word "Nazi" or "sterilization" is used in

debate. I do not think that is fair to imply that this is a partisan proposal.

I recall that Senator Pete Wilson and Senator Bob Graham are sponsors of the bill in the Senate; 247 House Members, both Democrat and Republicans, are sponsors. And when you look at the list of public officials and big names, Arthur Ashe and Joe Gibbs and others who are involved in it, I think it takes it out of the realm of partisan politics. And I think we make a mistake, and the American people are disappointed in us as a body, when we get involved in this kind of dialog.

And so, I am sorry that it happened. As to Mr. Dorgan's comments, I believe he has reasonable questions. And I think that is the kind of debate we ought to have on this issue. I am sorry you got that kind of treatment here, Mr. Lewis. But I do appreciate you bringing that to our attention, and I thank you for your testimony.

Mr. LEWIS. Thank you, Mr. Sundquist. I must say that I think the chairman and the committee itself has treated me more than fairly. We are all concerned about the problems of debt, and the chairman has been responsive enough to share with me the concern about the priority we are giving to the war on drugs, or he would not have had this hearing today.

Chairman ROSTENKOWSKI. Well, that is true, Mr. Lewis. I do not schedule frivolous items. The committee has too much important business to do, and I do think that there is a tremendous concern in the American people. And any way we can fight any war, particularly that involves our children, I think that should be on the agenda of any committee.

Mr. LEWIS. Thank you, Mr. Chairman.

Chairman ROSTENKOWSKI. I think that it was a worthwhile exchange. I think that some of my members viewed this legislation in a manner which I did not expect them to. By the same token, I think that should there be enough members interested in molding a piece of legislation similar to this, I am sure that we will be moving on it.

Thank you very much, Mr. Lewis.

Mr. LEWIS. I appreciate your courtesy.

Chairman ROSTENKOWSKI. Mr. Basham. Welcome, Mr. Secretary. If you would like to identify yourself and proceed into your testimony, the committee is ready to receive it.

STATEMENT OF MICHAEL E. BASHAM, DEPUTY ASSISTANT SECRETARY FOR FEDERAL FINANCE, U.S. DEPARTMENT OF THE TREASURY

Mr. BASHAM. Mr. Chairman, for those of you who do not know, my name is Michael E. Basham. I am Deputy Assistant Secretary of the Treasury for Federal Finance.

Mr. Chairman and members of the committee, my purpose here today is to discuss H.R. 2972, the proposed Drug War Bond Act of 1989. This bill would require the Secretary of the Treasury to issue up to $4 billion of special bonds in order to raise additional funds for certain Federal antidrug activities.

Let me first state that the Treasury Department is committed to the administration's efforts to win this drug war. We must do all

we can to promote the elimination of this problem from our society.

Over the years, the Department has received a number of proposals to establish new special purpose Treasury borrowing programs. A few of the more popular requests for special purpose borrowings have been to build battleships, to fund various education and energy programs, to support the environment, to provide assistance to new democracies, and to fund the space program.

The Department has traditionally opposed creation of all special purpose borrowing programs, and we feel our opposition is based upon fundamentally sound budget and debt management principles.

As a general principle of effective budgetary control, Federal receipts from borrowing should not be earmarked for particular expenditure purposes. Instead, these funds should be available in the general fund for appropriation by Congress to finance current programs and objectives.

With special purpose bond issuance, there is no certainty that the amount of funds expected to be raised for the designated purpose will in fact be raised. This could result in substantial and unintended variations in the amounts provided for the designated program. The amounts that would be available for the program would be determined largely by the amount of special bonds that are purchased, which is independent of any analysis of program needs and sound budget planning.

To the extent that buyers of existing Treasury issues shift their purchases to the new special purpose bonds, the program would not result in net new borrowings for the Government. Instead, amounts which otherwise would have been available to the general fund to meet current budget priorities would be earmarked for the designated purpose.

Many special purpose borrowing requests have been patterned after the savings bond program. Each new special program of this nature would tend only to confuse the public since the special purpose bonds would be viewed as a competitor to savings bonds.

In addition, a special purpose borrowing done in the same manner as savings bonds would most likely over time not generate substantial funds. In recent years, after accounting for administrative expenses and the differences between redemptions and purchases, the savings bond program has not raised a significant amount of new funds. In fact, when the accrual of interest is added, the program has resulted in a net outflow of funds for budget purposes.

It is worth mentioning also that there are generally higher initial and ongoing costs associated with implementing a special borrowing program which would add to the budget deficit.

Most importantly, the enactment of even one special purpose borrowing program would set an undesirable precedent for financing other Federal programs via similar special purpose securities. This would only compound the problems we describe here today.

We at Treasury have had discussions with the sponsors of H.R. 2972, and we understand that numerous changes will be made to the bill as introduced which would address most, if not all, of our specific concerns, including those relating to the budget in the ap-

propriations process. Nevertheless, because of the Department's longstanding opposition to all special borrowing programs, the Treasury cannot support H.R. 2972.

The committee should not interpret the administration's lack of support for this bill as an unwillingness to finance the war or drugs or as an absence of commitment to the problem. For fiscal year 1991, the administration is seeking to expand funding on drug-reduction activities to over $10.6 billion, a 41 percent increase in actual spending in just 1 year.

While funding is noted in the President's 1990 national drug control strategy, it is not considered the entire solution to the problem. Significant increases in assistance have been requested.

The President's national drug control strategy includes a role not only for the Federal Government, but for State and local governments, the private sector and community leaders and citizens alike, with significant opportunities for grassroots participation.

This concludes my prepared statement. I will be happy to answer any of your questions.

Chairman ROSTENKOWSKI. Do any of my colleagues have questions?

Mr. Cardin.

Mr. CARDIN. Thank you, Mr. Chairman.

Just very briefly, Mr. Secretary; I certainly appreciate your testimony and share many of your concerns. I want to call your attention to page 4, where you talk about the discussions that have taken place with the sponsors as far as changes that would address some, if not all, of your concerns on the budget issues. And I was trying to get this from Mr. Lewis.

If I understand it correctly, I understand your opposition in principle. But you would want all the receipts from the sale of bonds to be treated as savings bond receipts are treated; that is, they would not be considered revenues and there would be normal budgetary restraints as far as how the appropriations of these funds would take place, all within the Gramm-Rudman budget context.

Am I correct in that assumption?

Mr. BASHAM. Yes, sir; that is correct.

Mr. CARDIN. So there would be no trust fund, as such?

Mr. BASHAM. There could be a trust fund, but the actual expenditures from the trust fund would be subject to appropriation.

Mr. CARDIN. And the Gramm-Rudman targets?

Mr. BASHAM. That is correct.

Mr. CARDIN. So the concerns that Mr. Rangel expressed would be that these appropriations would compete with any other appropriation in the Federal Treasury?

Mr. BASHAM. The amounts that would be expended from the trust fund, irrespective of the amounts that would be raised by the bonds, would be subject to appropriation, yes.

Mr. CARDIN. And would therefore compete within the Gramm-Rudman context with all the other appropriations?

Mr. BASHAM. Yes.

Mr. CARDIN. Thank you, Mr. Chairman.

Chairman ROSTENKOWSKI. Any other comments?

Mr. Rangel.

Mr. RANGEL. Mr. Secretary, you did not address the question of drug stamps. Wasn't there some type of an agreement to eliminate that from the bill as well?

Mr. BASHAM. Congressman Rangel, my staff prepared the briefing documents for the meeting that Under Secretary Glauber had with Congressman Lewis back in November when he first approached the Department. We at that time expressed our opposition to the issue of drug stamps, and at that time received no assurances from him that they would, in fact, be eliminated from the bill.

As I understand the conversation today, drug stamps will still be in the bill. And I would suspect that that is not something we are particularly pleased to see.

Mr. RANGEL. Well Mr. Secretary, I guess my questions, following that of Mr. Cardin's, are more for the witnesses to follow you, who come here in support of the original legislation. But the legislation as amended by the prime sponsor, that is, to agree with Treasury to allow this to be a part of the appropriation process, to allow this to come under the Gramm-Rudman Act, really means—and I ask you to differ with me if I am incorrect—that we will be borrowing money to go into the general revenues that may or may not be in a trust fund that would be subject to the same type of legislative priorities as any other bill that we intend to provide funding for; is that correct?

Mr. BASHAM. As I understand the structure, Congressman Rangel, the bonds would be sold; receipts from the sale would go into the trust fund. I guess in the extreme, to the extent Congress did not appropriate moneys that year for the war on drugs, then those moneys would reside in the trust fund until appropriations were passed at some later date.

Mr. RANGEL. Thank you very much.

Thank you, Mr. Chairman.

Chairman ROSTENKOWSKI. Mr. Guarini.

Mr. GUARINI. Mr. Chairman, thank you, sir.

Would this require setting up additional divisions or bureaucracies then in order to administer this? You are going to have possibly stamps, bumper stickers, window decals, et cetera. Does this mean that we are going to be setting up another bureaucracy within our Government system?

Mr. BASHAM. Congressman Guarini, I cannot address the specific issue of exactly how many people or what bureaucratic measures, as you have described them, would be necessary. I can say that from Treasury's perspective, a stamp program, the costs associated with a stamp program, are the highest administrative costs of any potential form of borrowing that we could do.

Mr. GUARINI. And we have no precedents like this in any of our trust funds where we have raised money before, where stamps and other paraphernalia have been issued as a result of purchasing the bonds?

Mr. BASHAM. No, sir. Currently, we do not. We discontinued our stamp program in 1970.

Mr. GUARINI. And if you lower it to 25 cents and 50 cents and $1 that you give stamps for, it could get to be an enormous cost in administration, could it not?

Mr. BASHAM. Our most recent estimates from public debt, would suggest that for every dollar raised, the associated costs with the stamp program would run anywhere between 25 cents and 45 cents of that dollar.

Mr. GUARINI. So actually, we would be in effect taking money away from the proper war on drugs than having it come out of general revenues?

Mr. BASHAM. To the extent that someone purchased a bond, it could be anticipated that a large percentage of the actual revenues would have to go toward the administrative costs. I cannot sit here and say that if you purchased a $100 bond that $100 would go effectively to the war on drugs under this program. Again, high administrative costs, without a doubt, make issuing stamps, and administering such a program, the most expensive form of borrowing that we could attempt to undertake in the Treasury Department.

Mr. GUARINI. It sounds like a good public relations gimmick, but I see no reason why we cannot take the money out of our regular revenues to fight the war against drugs if we are really truly interested in fighting the war against drugs.

Thank you, sir.

Chairman ROSTENKOWSKI. Mr. Basham, thank you very much for joining us. For the purposes of not imposing on the members' time, I am going to submit several questions to you in writing that I would like you to respond to for the record.

Mr. BASHAM. We will be more than happy to.

[The questions and answers follow:]

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COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515

April 27, 1990

Mr. Michael E. Basham
Deputy Assistant Secretary for Federal Finance
U.S. Department of the Treasury
Washington, D.C. 20220

Dear Mr. Basham:

In order to complete the record of the hearings on the H.R. 2972, "The Drug War Bond Act of 1989", it would be appreciated if you respond to the enclosed questions. The answers should be suppled to the Committee office, 1102 Longworth House Office Building, to the attention of Diane Kirkland, by Friday, May 11, 1990.

Thank you for your cooperation in this matter.

Sincerely,

Dan Rostenkowski
Chairman

DR/dk

Enclosure

QUESTIONS

1) Moderate income households are able to buy federal obligations in the form of savings bonds. What would happen to the savings bond program if we introduced drug war bonds?

2) Drug war bonds are essentially a form of federal borrowing. Are there any additional costs if the government borrows by selling Drug War Bonds rather than ordinary Treasury bonds?

3) Is there reason to believe that the issuance of Drug War Bonds would increase the overall willingness of the public to invest in federal debt instruments?

4) In your testimony, you say that there is no certainty that an entire issue of special purpose bonds will in fact be sold. If Drug War Bonds are issued, how would Treasury ensure that people buy them?

5) Would you explain your reaction to the proposed stamp program in this bill?

6) The War on Drugs Trust Fund would be off-budget and would not be subject to Gramm-Rudman. What is your reaction to this approach?

DEPARTMENT OF THE TREASURY
WASHINGTON

ASSISTANT SECRETARY

May 21, 1990

The Honorable Dan Rostenkowski
Chairman
Committee on Ways and Means
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

Enclosed are the responses to the questions you submitted to Deputy Assistant Secretary Basham following his testimony before the House Ways and Means Committee on April 25, 1990.

Please let me know if I can be of further assistance.

Sincerely,

Bryce L. Harlow
Assistant Secretary
(Legislative Affairs)

Enclosure

Answers to Questions from Chairman Rostenkowski on H.R. 2972, "The Drug War Bond Act of 1989"

1. Moderate income households are able to buy Federal obligations in the form of savings bonds. What would happen to the savings bond program if we introduced drug war bonds?

H.R. 2972 would require the Secretary of the Treasury to issue small denomination bonds which would have characteristics similar to those of Series EE savings bonds. Thus, the proposed Drug War Bonds would compete directly with Series EE bonds, and could damage the success of the Savings Bond Program, which has been a cost-effective means of financing a portion of the public debt for over 50 years.

Series EE savings bonds are available through financial institutions and payroll savings plans across the country. Companies that offer payroll savings plans do so voluntarily and bear most of the costs associated with sponsoring these Series EE payroll savings plans for their employees. Companies choosing to offer both Series EE bonds and the new Drug War Bonds through their payroll savings plans would be faced with the choice of either conducting two separate promotional campaigns each year, which they would be unlikely to do, or splitting the annual savings bonds campaign between two products. The record-keeping burden on payroll plan sponsors would increase. It is, therefore, highly unlikely that private industry plans would offer both Series EE and Drug War Bonds. Sales of Drug War Bonds would come largely at the expense of sales of Series EE savings bonds.

Moreover, if the Treasury were to offer two types of small denomination bonds with similar terms and conditions, there is the potential for investor confusion, which could reduce sales of both types of bonds.

2. Drug war bonds are essentially a form of Federal borrowing. Are there any additional costs if the Government borrows by selling Drug War Bonds rather than ordinary Treasury bonds?

The Treasury is concerned that borrowing through the issuance of the proposed Drug War Bonds would be more costly than other forms of Federal borrowing. If the provision for exempting the interest earned on Drug War Bonds from Federal income taxation were retained in the bill, the net cost to the Treasury of the proposed bonds, including the tax revenue lost because of the tax exemption, would likely be greater than other forms of borrowing by the Treasury.

Even if the provision for tax exemption were deleted from the bill, the high administrative costs of the Drug War Bonds would make them a more costly form of borrowing than either marketable Treasury securities or Series EE savings bonds, assuming the interest rates on the proposed bonds were comparable to those of Series EE savings bonds. The Treasury would have to design, develop and implement new systems and procedures for issuing, servicing and redeeming Drug War Bonds, which would be issued only for a limited period of time. Among the steps required to issue the new bonds would be marketing and promotion. Six to nine months would be required before bonds could be sold to the public. The Treasury would have to incur these high initial and ongoing administrative costs either by redirecting resources from other public debt operations or by seeking larger appropriations in future years.

3. Is there reason to believe that the issuance of Drug War Bonds would increase the overall willingness of the public to invest in Federal debt instruments?

As was indicated in Treasury's testimony, to the extent that buyers of existing Treasury issues shift their purchases to the new bonds, the program would not result in net new borrowings for the Government. Further, because those who wished to contribute to the war on drugs would have the option of simply making voluntary cash contributions rather than purchasing the proposed bonds, it is not clear that many investors would choose to assist the war on drugs by holding greater amounts of Federal debt securities.

4. In your testimony, you say that there is no certainty that an entire issue of special purpose bonds will in fact be sold. If Drug War Bonds are issued, how would Treasury ensure that people buy them?

H.R. 2972 would authorize the Secretary of the Treasury to establish the investment yields and other terms and conditions of the proposed Drug War Bonds. To ensure the success of the proposed bonds, the Secretary would have to make the terms and conditions attractive to investors and the Treasury would have to mount a costly advertising and publicity effort. As previously indicated, these efforts would likely result in decreased sales in the cost-effective and well established Series EE program, and increased costs of financing the public debt.

5. Would you explain your reaction to the proposed stamp program in this bill?

Issuing drug war stamps, or any other kind of savings stamps, would be a distinct step backwards. Two decades ago, the Treasury stopped issuing the U.S. Savings Stamps that were introduced in World War II. In announcing the discontinuance of the earlier stamp program, the Department stated that administrative costs had risen sharply and participation in the program had been flat.

More recently, the Technical Correction and Miscellaneous Revenue Act of 1988 directed the Secretary to study the feasibility of using stamps to encourage savings for postsecondary educations. On October 16, 1989, the Department advised Chairman Rostenkowski that Treasury is opposed to offering stamps because they are costly, inefficient, and administratively burdensome, and recommended that no action be taken to implement an education savings stamp program.

6. The War on Drugs Trust Fund would be off-budget and would not be subject to Gramm-Rudman. What is your reaction to this approach?

The special budgetary treatment proposed for the receipts and disbursements of the trust fund, including the exemption from Gramm-Rudman-Hollings (GRH), would exacerbate the problem of budgetary control. The GRH exemption would directly contradict our strongly held opposition to GRH exemptions. Thus, we are strongly opposed to both the off-budget treatment and the GRH exemption proposed in H.R. 2972.

Mr. PICKLE. Mr. Chairman, may I ask Mr. Basham a question?

Chairman ROSTENKOWSKI. One minute, Mr. Pickle.

Mr. PICKLE. I appreciate your testimony on this legislation before us. I also want to ask you to give us a report as soon as you can about the study you are conducting with respect to the GSE's, Government-sponsored enterprises. As you know, we have a hearing scheduled on May 14 and the report is to be issued about the 15th.

Can you tell me the status of that report at this point?

Mr. BASHAM. Congressman Pickle, I would be glad to. We started the study, as you well know, last September under the auspices of FIRREA. We, this past Monday, submitted our initial drafts to the respective GSE's themselves. We asked them to check them for fac-

tual accuracy. We are anticipating that we will receive comments from them by Friday.

Mr. PICKLE. Of this week?

Mr. BASHAM. Of this week.

We intend to make whatever changes we feel are necessary. We will circulate the drafts within the Treasury Department next week. They will go to the printer a week from Monday. They will be available, we hope, by noon on the 14th.

Mr. PICKLE. Well I am assuming then that when you make your report, it will have your conclusions in it. The draft at this point does not. It is just asking for their reaction.

Mr. BASHAM. Yes, sir. The drafts that we submitted to the GSE's did not have conclusionary statements. We felt we will have sufficient time to argue with the GSE's over our conclusions prior to our next report. But the study that we will present on the 14th obviously will include all of our conclusions.

Mr. PICKLE. Well I would ask, Mr. Basham, that you keep in touch with our subcommittee so that we would know stages you will be finalizing that report, and we would like to have an advance copy of that if you are going to proceed along this kind of a schedule.

Mr. BASHAM. We will do our best to get you one.

Mr. PICKLE. All right, thank you.

Chairman ROSTENKOWSKI. The time of the gentleman has expired.

Thank you very much, Mr. Basham.

Mr. BASHAM. Thank you.

Chairman ROSTENKOWSKI. Shannon Warren, Elisa Miller, Joanne Benson. Welcome to the committee. It is a pleasure to have you participate in this discussion. I am sure that we are going to learn a great deal from you young men and young ladies.

And so, Elisa, if you would like to begin with your presentation, the committee is ready to receive it.

STATEMENTS OF ELISA MILLER, SIXTH GRADE STUDENT; SHANNON WARREN, FIFTH GRADE STUDENT; AND JOANNE BENSON, PRINCIPAL, JOHN H. BAYNE ELEMENTARY SCHOOL, CAPITOL HEIGHTS, MD.

Ms. MILLER. Yes, good morning. I am Elisa Miller, a student representative from John H. Bayne Elementary School.

Chairman ROSTENKOWSKI. Elisa, pull that microphone down a little bit. That is it.

Ms. MILLER. Good morning. I am Elisa Miller, a student representative from John H. Bayne Elementary School in Prince George's County. I am here to help address the issue on the Drug War Savings Bond Act. I think this is important because this money is going into useful programs to help our Nation so the children in the future can have a better life. It will also help our communities.

The savings bond program is a very good way for the Government to raise money for the drug fight without having to increase the taxes. Participation is voluntary and everyone can help, even children. The money can go into more programs like increase the

police protection, training, rehabilitation, and more drug education. The money is also needed for prisons and to hire police to patrol the streets night and day, especially in the neighborhoods where the drug problem is tremendously heavy.

The Drug War Bond Act is a very good idea. I think we should involve as many people as possible to learn more and more about this issue. I hope that my presence here will help somehow in creating a positive attitude toward the bond issue.

Thank you very much for listening.

Chairman ROSTENKOWSKI. Thank you, Elisa.

Mr. Warren.

Mr. WARREN. Good morning. My name is Shannon Warren. I am a fifth grade student at John Bayne Elementary School in Prince George's County, Md.

I am here this morning to stress the need for interest and participation of the American people in the war against drugs because our future is at stake.

I believe the bonds will help us fight this war. As you know, all wars need financial support. This support would help enhance the U.S. Border Patrol, the police departments, awareness in schools, and would help kid drug addicts.

Another positive aspect of the drug war bond issue is the students, like myself, can save up and buy drug war savings bond stamps, and then eventually redeem them for a bond of our own. Not only will we be helping to fight the war on drugs, but we will be learning the positive lesson of saving our money and putting it to good use.

We, the American people, are dying, going to jail, getting killed in drug wars and destroying our minds. Please help us say no to drugs by agreeing to support the Savings Bond Drug War Act.

Thank you.

Chairman ROSTENKOWSKI. Thank you.

Ms. Benson, would you like to make any comment?

Ms. BENSON. The only comment that I do have to make is that I am a principal in Prince George's County. I work every day in surroundings where we do experience problems with drugs and alcohol. And I am truly hoping that this committee will find a way to help us as we work out in the trenches to solve one of the most devastating problems that face the American people.

While I do understand that we do have a problem with the deficit, I do understand that, but I also understand that I heard the gentlemen speak today about statistics regarding the children who are coming into the school system. They are very low.

We do see now evidence of the babies who have been exposed to the drugs of mothers in the kindergarten classrooms. And it is extremely important that if we don't agree to this Drug War Bond Act, that we do come up with some way of solving this problem of helping to fight the war on drugs.

I see it every day as the principal in the school. I might want to add that while you are looking, you may want to look at the social service agencies in this country. Because while I am very concerned about helping people to get off of the problem of drugs, I also want you to understand that, within the social service agencies within our country right now, there is no way to monitor the per-

sons who want to get off of the program, or the persons who are social service dependent. And we do have to come up with some way of monitoring and encouraging these people with more education because I am not so sure that the answer to the problem is expanding the jail facilities.

Thank you.

Chairman ROSTENKOWSKI. Well, thank you very much, Ms. Benson.

Elisa and Shannon, I want to thank you very much for joining us this morning, and discussing with us what you see as a problem and giving us some insight as to what you think your Congress and your Government ought to do about it.

Any questions?

Mr. RANGEL. Yes. I want to thank——

Chairman ROSTENKOWSKI. Mr. Rangel.

Mr. RANGEL [continuing]. These youngsters. They are the epitome of the pride that we can have in our youngsters. We hear and see too much of youngsters who haven't made it, and you don't just make your principal, teachers, and parents proud, but you make those of us in the Congress proud to see and hear you.

Ms. Benson, I assume that the reason you are supporting this legislation is because you believe that additional resources would be made available to assist in fighting this epidemic that is affecting the children in our communities.

Ms. BENSON. Absolutely. In addition to that, I think our children need to understand the importance of saving.

Mr. RANGEL. Right. But you did hear the Deputy Secretary of Treasury indicate that under the concessions made by the author of the bill, that the funds would go into the general funds that we get through taxes, and that the amount of money may not be increased for any of these areas, you would know that?

Ms. BENSON. Yes. And I was extremely disappointed when I heard that. I'm hoping that this committee, if you decide on this, will be absolutely sure that the money that is earmarked or money that is raised from this will be earmarked for the fight for the war.

Mr. RANGEL. Well, the administration would object to it if they did that. So, in order to go along with the administration, which is not supporting the bill anyway, they agree to remove the earmarking for a specific purpose.

But I hope you would agree with me that while it is important that the children participate in learning how to save, that we should be able to come up with something that could be tax exempt where they could save toward their education, and something that they know that they can put their hands on, as opposed to speculating with our U.S. Government where we don't have the political courage to make those decisions to invest in these young people. I think that is more important than any defense program we have.

And I want to thank you for the great job that you have done to bring these youngsters before this committee today.

Ms. BENSON. I might want to add this too. The feeling of those of us who are out in the trenches is that we are not so sure that people are serious about this problem. You see, we can find money for everything except for the problems of really confronting the

American public. And I want everyone up here in this room to understand that this is quite a serious problem.

And I think also that we need to be honest with the public that when we talk about a bill or act such as this, that we assure the public that if we are going to encourage our children to participate in the Drug War Bond Act, or any other act, that we be honest with the public in saying that we may not be so sure that the money that is being raised will be earmarked for the war on drugs.

So I was very, very disappointed in hearing that. Hopefully, we can work out another angle.

Thank you.

Mr. RANGEL. I agree with you, Ms. Benson.

Chairman ROSTENKOWSKI. Any other questions?

Mr. CARDIN. Mr. Chairman, just very briefly if I might.

Chairman ROSTENKOWSKI. Mr. Cardin.

Mr. CARDIN. I know that our record is a written record, not a visual record. And I think we should point out that Shannon is in the fifth grade and Elisa is in the sixth grade. And I give them a lot of credit for coming here today and testifying before the committee.

I was watching Congressman Hoyer's face with pride as you were testifying, and rightly so, about the pride of our education system in Prince George's County. And I just really want to compliment all three of you for your testimony today, and how important it is in our work. You have taken a step to help us, and that is very important.

Ms. BENSON. Thank you very much.

Chairman ROSTENKOWSKI. Thank you very much for joining us this morning.

Ms. BENSON. Thank you.

Chairman ROSTENKOWSKI. You were most helpful.

Let me take this opportunity to introduce Dennis Franz. I recognize that the entertainment media has a great deal of influence in our society, and it's warming to recognize that people like Mr. Franz want to participate in confronting the tragedy of drugs and the war that should be waged.

But there is also a dual purpose in my recognizing him and his ability.

Dennis, you don't have any idea how late you keep me up at night. [Laughter.]

Mr. FRANZ. It is my pleasure, Mr. Chairman.

Chairman ROSTENKOWSKI. Your reruns in Chicago go on around 11 o'clock. And once I turn that on, I am dead for 1 hour and 10 minutes. [Laughter.]

But I want to commend you on your ability in the industry that you represent. I know that originally you are from a part of my district, and we are very proud of you. And I want you to know that I am proud of the fact that you are concerned and want to make a contribution.

STATEMENT OF DENNIS FRANZ, ACTOR, ON BEHALF OF ENTERTAINMENT INDUSTRIES COUNCIL, LOS ANGELES, CALIF.

Mr. FRANZ. Thank you for those words, Mr. Chairman.

On behalf of the Entertainment Industries Council and myself, I am pleased to have the opportunity to appear before this committee to discuss drug war savings bonds.

It is not an uncommon occurrence to have people from the entertainment industry appear before congressional committees to testify on behalf of various causes. I think such appearances serve as an important function in drawing attention to those causes.

My appearance here is somewhat of a different nature. Yes, I am interested generally in the issue, but I have an important interest in the actual legislation before this committee. If Congressman Lewis' drug war bond bill becomes law, and I strongly urge that it does, entertainment personalities like myself will play a critical role in promoting the sale of drug war bonds. While promoting those bonds, we will be spreading a message to everyone watching, especially our youth, that drugs are not acceptable, that drugs are not cool, and that drugs are not safe.

This brings me to the TV show, "Nasty Boys," on which I play Lieutenant Krieger. "Nasty Boys" chronicles the exploits of a real-life Las Vegas undercover police unit that fought back against drug pushers. The overwhelming message of the show is one of opposition to drugs. Its fast pace and real life scenarios, we hope, will not only entertain, but will provide the serious message that drugs are ruining many of our kids, and that the people who sell them are not models to be emulated.

The drug war bond program can provide a similar message, but it can do more. When people watch our show, they receive an anti-drug viewpoint. But when people buy, sell and promote drug bonds, and when kids buy drug stamps and become involved in drug stamp programs at their schools, they become personally involved. The kids especially will feel that they are part of an overall effort, something so important that it is worth committing both money and time to bring about changes.

I have had a history of playing cops in movies and in television, from "Hill Street Blues" to "Beverly Hills Buntz" to "Nasty Boys." Many actors talk about how they have to force themselves to think like their subjects when preparing for a role. After 10 years of playing detectives, and having them as advisers on the set, I don't have to force anything. It just comes naturally. And the one thing that I have sensed over and over again is that our men and women in blue know that their role in fighting drugs is limited. When they arrest one, another steps in to take his place.

Something has to be done about attitudes before we can lick this scourge of drug abuse. A sense of community has to be developed. During World War II, war bonds played a major role in developing that sense of community. Drug bonds can do the same thing today. Another reason I continually play the role of a cop, if something works, you stick with it. And I feel the same way about using bonds to rally people against a common enemy. I urge this committee and this Congress to support drug war savings bonds. Thank you, Mr. Chairman.

Chairman ROSTENKOWSKI. Thank you, Mr. Franz.

Are there any questions?

Mr. Rangel.

Mr. RANGEL. I really want to thank you. The technical questions that we asked of the previous witnesses I hope would not be a discouragement for people like yourself to take the time out to indicate a support for your Government in the fight against drugs. And you keep me up late at night, too.

Mr. FRANZ. Well, thank you. [Laughter.]

Chairman ROSTENKOWSKI. Mr. Guarini.

Mr. GUARINI. I want to thank you for your testimony and say the people in your industry are the role models for the children who just appeared before us at the committee. And the entertainment industry has played such an important part in bringing the message across to the public. And I want to commend you for that.

But there are ways that you become personally involved, whether or not it is through drug bonds or not. It doesn't diminish your involvement in the war that we have that is ongoing against drugs. That is true, isn't it? We can find different ways even if this bill does not pass that we will be just as active or more active than ever in order to meet our objectives in defeating the war against drugs, is that so?

Mr. FRANZ. That is absolutely true, sir.

Mr. GUARINI. And if you knew that it would cost a quarter of the cost of the bonds that were raised, and we just had testimony that said that perhaps 25 cents or more on every dollar would go for administrative costs, that means of $4 billion, $1 billion would be spent just in printing the stamps and going through the little routines, and keeping track of everything, and little advertising costs and everything that we would be undergoing.

Wouldn't you rather spend that $1 billion of the $4 billion in education in our school systems?

Mr. FRANZ. Yes. I will have to say that the money issue, in my eyes, I think any money that will be raised, and I don't think perhaps it is going to be as much as—this has been an entertaining and a learning process for me as I have been sitting here—to realize that maybe not all the funds, not all the money that we're hoping that would go into this program will be the case. But I think, it appears to me that some money will benefit from it, some money will go into it, and it will prove to be of some benefit.

And I think any benefit is a step in the right direction. But almost more importantly, I think the opportunity for the kids to feel a positive approach, that they are doing something positively. We have two teenage kids in our house, and their inability to do anything about this that's all around them, this would provide an avenue for them to go in the direction that they could feel that they were doing something positively.

Mr. GUARINI. Yet we see how effective the teacher with the two lovely children were when they just testified and spoke from their hearts as to their future and what should be done in fighting this war against drugs.

I want to compliment on you and your industry for everything that they have done in bringing this into focus.

Thank you.

Mr. FRANZ. Thank you.

Chairman ROSTENKOWSKI. Mr. Franz, your exposure in the role models that one can develop in the entertainment world have a

greater impression on people, particularly children, than anyone else.

When most of us up here were kids, it was cowboys and Indians, and you couldn't walk out of the theater and jump on a horse and ride down Main Street.

What scares me a little bit about the industry today is you can walk out of a movie theater and get in an automobile and drive one 90 miles an hour and make it spin and do all those things. That becomes of great concern to me because these are impressionable years. And I agree with you, as was pointed out here, that to get kids involved positively is the most important thing that we can do, and it might cost us some money. But there is no commitment that involved people more than a contribution by oneself.

I think that the Treasury Department and we up here view these things from every angle because, before we turn legislation out for public consumption, we recognize that there are going to be some things that we have missed, some things that we will be criticized for. But in the area of drugs, I don't think that there is anybody in my constituency or in any Member's constituency on the Ways and Means Committee that would criticize us.

And so I can, in closing, leave you with the impression that we are concerned and we appreciate your concern.

The media, not only the entertainment media, but the news media plays a part in this country too. And sometimes when you initiate legislation, the pain is in front. But the long-range program solves problems, and that is what we are interested in doing here, solving problems for our country.

And so you are not part in this morning's experience of the glamor of government. You are taking part in working on the cloth and putting the thread in so that you can see maybe at the end that we will have some legislation that will benefit mankind, particularly people in the United States.

And I just want to say personally, thank you very much.

Mr. FRANZ. Thank you, sir.

Chairman ROSTENKOWSKI. The next witnesses will be Mr. Herndobler, Mr. Danielson, Ms. Donahue, and Mr. Stickle.

Welcome to the committee. Your statements, if they extend longer than 5 minutes, will be included in the record. If you would like to summarize and give us the benefit of your impressions, the committee is appreciative.

Mr. Herndobler, you kick us off. We would like you to identify yourself for the record, and then proceed into your testimony.

We will take each of you for the 5-minute period, and then the committee will be able to have an exchange in questions or colloquy with you.

Mr. Herndobler.

STATEMENT OF DICK HERNDOBLER, NATIONAL DIRECTOR, ELKS DRUG AWARENESS PROGRAM, BENEVOLENT AND PROTECTIVE ORDER OF ELKS, ASHLAND, OREG.

Mr. HERNDOBLER. Thank you, Mr. Chairman.

My name is Dick Herndobler. I live in Ashland, Oreg., and I serve in a voluntary capacity as the national director of the Elks

Drug Awareness Program. On behalf of the Benevolent and Protective Order of Elks, I want to thank you for this opportunity to tell you briefly about our program and why we think that the issuing of savings bonds to support the war on drugs is a good idea.

I also want to thank Congressman Lewis, Senator Wilson, and the other Members of Congress who have cosponsored this legislation and who are pushing to see its adoption.

We are one of the oldest and largest fraternal groups in the country, and we know that drugs are a major and national problem, and we know that more Government funds are needed to fight this war.

We also believe that if this war is to be won, it will be won on the local level by individuals, by families, by neighbors, by neighborhoods and local communities reducing the demand for drugs and changing attitudes to no longer tolerate illegal drug use. That is the way our program is established. It is on the grassroots level, with a chairman in every State, 244 district chairmen, and 2,229 local chairmen.

We made a long-term commitment to fight this drug epidemic in 1982, and we have been very active for the past 8 years. Last year, we gave over 19 million pieces of literature away to parents and students. And we reached nearly 4 million youngsters and 1½ million adults.

We raised money also to help such programs as the Red Ribbon Campaign, PRIDE, which is a drug conference taking place as we are speaking in Orlando, Fla.; the DARE program, and Mothers Against Drunk Driving. We work with the National PTA, the National Crime Prevention Coalition, the National Federation of Parents, law enforcement agencies, schools, Government agencies, and community organizations.

In the prepared statement that I have submitted for the record, I have listed some of the unique programs that our lodges have developed to promote drug awareness. And we think the same thing will happen with the drug war bonds: Unique and inventive programs in order to promote it.

I wish I could summarize the 7,230 programs that we supported last year, but they range from buying drug dogs for local police departments to funding hotlines and automated drug information telephone systems. And we purchased videos for parent groups and paid the salaries of special education teachers when requested by school boards.

We have staged many events and given away millions of pieces of material that detail for youngsters a message that alcohol and drug use is dangerous. But, as important as these things are, we realize that we cannot go about our business after telling a young person to "just say no." Even when kids accept this message that alcohol and drugs and tobacco and other things are harmful, they still are going to need constructive alternative activities, and we try to fill the gap.

The Elks are one of the largest sponsors of scouting, with nearly 2,500 Boy Scout and Girl Scout troops. We sponsor 6,503 athletic teams, and we volunteer as coaches and counselors, as well as sponsoring bands, teen centers, and summer camps.

Last year, we awarded more than $3 million in college and vocational scholarships. And we raised and spent $10 million on our youth and drug awareness programs. We also volunteered almost 1 million hours in these efforts. We think that a drug war bond would be an especially attractive addition to our many youth programs.

What would be a better prize for a winner of an essay or poster contest than a drug war bond? Why not give a drug war bond to the outstanding camper, to the youngster chosen as the team's outstanding athlete, the kid with the best grades, the best all-around student.

Some of us remember the war bonds in World War II, and they were successful because they created a participation by all citizens.

Elks believe that fighting the war on drugs is another way to show that we love our country. We welcome the prospect of this new savings bond program as a way to get more people involved and as a way to provide new resources for this war that we must win.

We hope that you will allow the young people of today to take a stand for, to participate in, and to make a commitment to this new war.

Thank you, Mr. Chairman.

[The statement and attachment of Mr. Herndobler follow:]

Hearings on H.R. 2972, "The Drug War Bond Act of 1989"
Committee on Ways and Means
April 25, 1990

Statement by DICK HERNDOBLER,
National Director, Elks Drug Awareness Program,
BENEVOLENT AND PROTECTIVE ORDER OF ELKS

Mr. Chairman, my name is Dick Herndobler. From my home in Ashland, Oregon, I serve as national director of the Elks Drug Awareness Program. I am a volunteer, and I attempt to coordinate the efforts of our 50 state chairmen and more than 2,200 local chairmen who have volunteered to direct drug awareness programs in their local communities.

With 1.5 million members, the Benevolent and Protective Order of Elks -- the BPOE -- is the nation's largest fraternal group. There are Elks in all 50 states, and we have a strong national commitment to fighting the war on drugs. Drugs are a national problem, and additional government funds are needed. But we know that this war will ultimately be won by battles that are fought one by one at the local level, in neighborhoods and communities throughout the country.

This is the way the Elks Drug Awareness Program is structured. Our national foundation contributes seed money, but it is up to our local chapters -- our lodges -- to determine the needs in their home towns and to raise money to support various drug awareness programs.

We share ideas. Our lodges are instructed to support fully any existing community program in drug-use prevention. If no program exists, the lodge is to be a catalyst to help that community start an effective prevention/education effort.

We have discovered that when people get involved personally in something, they show more concern. They get their neighbors involved. They get local businesses to join in. This proposed program of savings bonds as a new way to help finance the war on drugs will provide an excellent and visible forum for such involvement.

In many communities, the Elks lodge serves as a meeting place for many groups that share concerns about drugs. We pitch in and support groups such as the Red Ribbon Campaign, PRIDE, the DARE program and Mothers Against Drunk Driving. We work with the National Parent-Teachers Association, the National Crime Prevention Coalition, the National Federation of Parents and the Just Say No Foundation. In hundreds of cities and towns, Elks join with service organizations and civic clubs in support of community efforts in this continuing war.

In Bennington, Vt., the Elks lodge teamed with the Lions Club to run drug awareness booths at weekend home shows attended by over 2,000 people. In Blackfoot, Idaho, the Elks printed crisis number cards for high school students. In Portland, Oregon, the Gateway Elks Lodge funds "listen" programs in the schools. In California, lodges sponsor "You Can't Fly High," a 30-minute live fly-in program with helicopters, SWAT teams and celebrities delivering an anti-drug message that really impresses the kids.

And we supplement government efforts as well. In dozens of communities, the Elks fund 24-hour automated hot lines for alcohol and drug information services. In Marietta, Ga., the Elks lodge raised $5,000 to purchase a drug dog for the local police department. The lodge in Madisonville, Ky., pays for a drug counsellor training program for teachers. We recently answered the call of the Drug Enforcement Agency to help fund a demand reduction program at the Turner Elementary School here in Washington, D.C.

In Charleston, S.C., 3,000 students attended a "Just Say No" rally sponsored by the Elks. In Rhode Island, lodges brought juvenile officers to the schools to talk with students. The Opelika, Ala., Elks arranged for the display of anti-drug messages at the nationally televised Auburn-Florida football game.

Throughout the country, lodges sponsor information programs and anti-drug events, and Elks distribute millions of bumper stickers, comic books and other pieces of literature detailing the dangers of drugs. As important as these activities are, however, we realize that you cannot just go about your business after telling a young person to "Just Say No." Even when kids accept the message that alcohol and tobacco and other drugs are harmful, they are still going to need constructive alternative activities.

For this reason, many of our members are making facilities available and volunteering to be cooks and chaperones and helping out in other ways with dances and parties at the Elks Lodge -- events that are free of drugs and alcohol. Five high schools around Mount Vernon, Wash., use the Elks lodge for dances that are formulated, run and policed by youth staff. In Nashua, N.H., a local D.J. provides the music for substance-free teen dances that have attracted over 1,200 young people to the Elks Lodge there. Local merchants sponsor radio broadcasts of the events and reach countless other students and families.

We try to involve young people in many of our ongoing lodge volunteer activities such as helping out at soup kitchens or in collecting hides for the VA hospitals to use in their craft and therapy work with patients. In Florida, many lodges sponsor fishing contests, encouraging youngsters to get hooked on fishing, not drugs.

Elks lodges are one of the largest sponsors of scouting; we have 2,500 Boy Scout and Girl Scout troops nationwide. We sponsor 6,503 athletic teams. We volunteer as coaches and counsellors. We sponsor bands and teen centers and summer camps. We conduct essay contests and poster contests. Last year we awarded more than $3 million in college and vocational scholarships.

A single program -- the Elks "Hoop Shoot" -- involves more than three and one-half million boys and girls. These youngsters do a lot of practicing as they try to make 25 free throws in 25 attempts. Their ages are 8 to 13, and that's the age group we try to target with our Drug Awareness Program.

We think a "Drug War Bond" would be an especially attractive addition to the many activities that our Elks lodges have underway. BPOE members will buy bonds and promote the sale to their neighbors. Buying bonds would be a great project for young people, and a way to make everyone feel that he or she is directly involved in this effort.

In addition, these proposed savings bonds for the war on drugs would complement many of the Elks' on-going activities.

What would be a better prize for the winner of an essay contest or a poster contest than a Drug War Bond?

Why not give a Drug War Bond to the outstanding camper? To the youngster chosen as the team's (or the school's) outstanding athlete? The kid with the best grades? The best all-around student? The winners of our Hoop Shoot contests?

A continuing program that promotes Drug War Bonds would provide a constant reminder to our young people that the nation is investing its resources in fighting this war.

An appeal to patriotism was a major reason the sale of war bonds proved so successful in the '40s. One of the common threads that you can find running through the fabric of every Elks lodge is the members' special love for their country. Elks take a special pride in promoting patriotic causes.

We sponsor parades on the Fourth of July. We enlist community support for civic endeavors. We honor our veterans, and we do not forget those who are patients in our VA hospitals. We recognize our policemen and firemen and school teachers and other public servants whose contributions toward improving the quality of life are oftentimes overlooked.

We fly the flag, and we encourage stores and businesses to fly the flag on holidays and special occasions. In fact, the BPOE came up with the idea of a day to honor the flag, and President Harry Truman, a member of an Elks lodge in Missouri, issued a proclamation designating June 14 for such an observance.

Every New Year's Day at the Rose Parade in Pasadena, the Elks sponsor a float. Our entry usually has red, white and blue flowers, and the theme often reflects freedom and patriotism. In recent years, we have featured the Statue of Liberty, the Iwo Jima Memorial, Yankee Doodle and the Stars and Stripes.

A few years ago, when the call came for help in restoring the Statue of Liberty, the Elks raised $1.5 million. We had raffles and bake sales, but there were more imaginative fund-raising ideas as well. In New Jersey, retarded children at an Elks-sponsored center for handicapped children fashioned pins of "the lady with her light". Those kids took great pride in knowing that the sale of their pins helped that beautiful symbol to once more stand tall and proud.

That's the sort of creative thinking you're going to see when the Elks are asked to buy Drug War Bonds, because we've got a lot of dedicated members and this is one war that every American wants to win.

For almost eight years, the Benevolent and Protective Order of Elks has been promoting drug awareness among our young people, their parents and their neighbors. Last year we spent more than $10 million and volunteered almost one million hours on youth and drug awareness programs.

We welcome the prospect of this new savings bond program as a way to increase drug awareness, to get more people involved in this worthwhile effort and to provide new resources for fighting the war on drugs.

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Attachment

BENEVOLENT AND PROTECTIVE ORDER OF ELKS

ELKS DRUG AWARENESS PROGRAM

Statistical Recap

	1987	1988	1989
Number of Lodges with designated chairman	1,872	1,842	2,229
Percent of Lodges participating	81.9%	80.2%	97.5%
Programs (4th - 9th grades)	2,128	3,458	4,503
Programs (other age groups)	1,161	1,627	2,264
State association programs	270	396	463
Total programs	3,559	5,481	7,230
Youth Reached	1,546,137	2,919,447	3,971,405
Parents Reached	1,012,223	944,098	1,430,685

10/31/89

Dick Herndobler, National Director
Elks Drug Awareness Program
P. O. Box 310
Ashland, Oregon 97520
(503) 482-3193

Mr. RANGEL [presiding]. Thank you.

The committee is aware of the fine work that all of your organizations are doing. And it would be helpful if your committee targeted the bill that is before us as we try to make a decision what we are going to do.

From the YMCA of the USA, John Danielson, the interim executive director.

STATEMENT OF JOHN E. DANIELSON, INTERIM EXECUTIVE DIRECTOR, YMCA OF THE USA, CHICAGO, ILL.

Mr. DANIELSON. Thank you, Mr. Chairman, members of the committee.

My name is John Danielson. I am a career YMCA employee, and I am interim executive director of the YMCA of the USA. I certain-

ly appreciate this opportunity to be here today. I will condense my remarks. I think you have my written testimony in front of you.

The YMCA is the largest agency serving youth and families in our Nation. Consequently, we are very concerned about substance abuse and want to be actively involved in the effort to reduce the demand for drugs in this country.

Formed 139 years ago, YMCA's have served tens of millions of young people. In fact, we had 6.6 million young people who were members this past year. We think the kind of values we develop in those kids deter the use of drugs.

Last year, 2.6 million kids paticipated in our youth sports and fitness programs. And we think sports are important because they teach kids healthy values, healthy life styles—values that help kids stay drug free.

YMCA's are one of the largest providers of day care services. We serve over a half million kids every year in our child care programs that strengthen family relationships. Youth in Government and other programs for teenagers introduce young people to new opportunities and reinforce positive values.

YMCA work is primarily targeted to the prevention; however, many YMCA's have developed substance abuse programs and it was one of our fastest growing programs last year. Many of these programs are designed to serve high-risk young people. And, the YMCA of the USA has developed a new initiative to help YMCA's reach more young people.

It's not enough to just say no. Kids need consistent programs with positive role models and peer groups who demonstrate healthy values—saying no once may not be enough.

YMCA's also believe that the solution to substance abuse requires a coordinated strategy among Government, business, and community service organizations. Toward that end, a few suggestions with respect to H.R. 2972, but more broadly with respect to the total Federal strategy on the drug problem.

First, give high priority to prevention. The YMCA experience confirms the effectiveness of prevention and the importance of providing life experience that develop children and youth who are confident and feel good about themselves. The Federal Government appropriately spends money to curtail supply. But we hope your policy will recognize curtailing demand as a high priority.

Second, acknowledge that everyone is at risk. It is a persuasive problem for all Americans. It is not just an inner-city problem, or one community's problem, but it is rather a problem for all of us. Federal policy should support a correspondingly broad-based program.

We hope you will promote community-based and collaborative programs. No organization or Govenment agency can solve the problem alone. YMCA's want to be part of the solution working with others in a collaborative effort.

And, finally recognize alcohol as a key element of the problem. In many communities, alcohol, not hard drugs, is the major problem. Federal policy should clearly reflect this fact.

Mr. Chairman, in closing, let me indicate that the YMCA wants to be part of a solution. I commend the committee for its leadership

on this critical issue. Thank you once again for this very privileged opportunity to be here this morning.

[The statement and attachment of Mr. Danielson follow:]

TESTIMONY
before the
COMMITTEE ON WAYS AND MEANS
U.S. HOUSE OF REPRESENTATIVES

by
John E. Danielson
Interim Executive Director
YMCA of the USA
101 N. Wacker St.
Chicago, IL 60606

April 25, 1990

Mr. Chairman and members of the Committee:

My name is John Danielson, and I am Interim Executive Director of the YMCA of the USA. On behalf of the National Board of YMCAs, I thank you for the opportunity to testify on H.R. 2972, the "Drug War Act of 1989." This legislation has attracted wide support as a significant response to substance abuse problems that, directly or indirectly, touch the lives of nearly all Americans.

THE YMCA'S RESPONSE TO THE DRUG PROBLEM

YMCAs believe that substance abuse is a symptom of broader social problems and that all children are at risk. The YMCA concern for this issue grows directly from our mission: "To put Christian principles into practice through programs that build healthy body, mind, and spirit for all."

Promoting Positive Youth Development

The YMCA is the largest agency serving youth and families in America. Consequently, we are on the front lines in the battle to diminsh the demand for drugs in this country. Formed 139 years ago, we have worked with tens of millions of young people -- 6.6 million last year alone. From this experience we have concluded that it is more productive to invest in children and youth before they develop high-risk behaviors, than to try to rehabilitate them afterwards. The Y's strength is prevention.

That's why local YMCAs emphasize prevention and positive youth development through programs that promote healthy lifestyles, responsible values, and self-esteem. These programs include:

Youth fitness and sports. Last year 2,650,000 children and youth participated in our fitness and sports programs, making YMCAs by far the largest provider in the country. In our programs, the emphasis is on developing self-esteem, providing positive adult role models, a commitment to good health, and respect for others -- values that are vital to helping a kid stay drug-free.

Child care. YMCAs are also one of the largest providers of child care in the nation, serving over 500,000 children last year. YMCA child care is quality, child-centered care and built on the need to support the modern family in all of its configurations.

For example, a YMCA day care center located on the border of Chicago's Cabrini-Green -- that city's largest public housing complex-- provides the best in child care for kids and gives parents the opportunity to work knowing that their kids are in a safe, wholesome environment. Because of the program's reputation for excellence it attracts a healthy mix of kids from Cabrini-Green and the higher income Gold Coast and Lincoln Park neighborhoods.

We pioneered the development of school age child care because we know that "latch-key" kids who are unsupervised after school are significantly more likely to get in trouble. Today, many YMCAs are developing after school activity programs targeted toward middle-school age youth. We don't call it child care but parents know that their 13 year old teenager has a place to go after school that is safe, supervised, and provides age appropriate activities.

Parent-child programs. YMCAs also make a major effort to strengthen family ties because without strong families we'll never have healthy kids. For example, last year, Y-Indian Guides and Indian Princesses parent-child programs helped 225,000 children and parents deepen their relationships and improve communications -- an investment that will help them deal more effectively with the temptation of drugs.

Youth leadership and youth service. YMCA programs help older youth grow as responsible, contributing members of their communities. Last year over 40,000 young people participated in YMCA Youth and Government programs, and thousands more were part of YMCA community service projects.

Helping High Risk Youth

In addition to these youth development programs, an increasing number of YMCAs are offering more targeted intervention and treatment programs. In fact, this was the fastest growing YMCA program in 1989! Also on the list of the top 10 in growth was programs for youth at risk. These programs include:

PRYDE, is the name of a San Diego YMCA program designed to prevent gang/drug involvement of young people ages 10-14. The goals of the program are to create pride "in self, family, community, and the future." The youth and their families join in sports, camping, community service projects, leadership development, and vocation exploration. The San Diego YMCA is also encouraging families to take the "Safe Family Pledge," a public commitment to a drug free home.

ADEPT, is a program of the Wilmington, Delaware YMCA through which juvenile offenders with drug problems go to the YMCA rather than to jail, for an intensive substance abuse education program.

TEENS HELPING TEENS, is a therapy program operated by the Aberdeen, South Dakota YMCA in collaboration with the Northeastern Mental Health Center. The program serves 7-12 graders who have been experiencing problems at home, at school, or with the law.

Strengthening Communities

YMCAs also provide resources and support to bring communities together and inspire people to develop creative and innovative approaches to local problems. Two examples illustrate the contributions of local YMCAs:

Kansas City. In Kansas City, the YMCA is working with other agencies to get kids involved in sports, creative arts, drama, dance and counseling. The Y has outreach workers walking the streets helping to point kids in the right direction. Y staff members help these young people to know there are alternatives to drug deals and fast money, that there are heroes other than basketball

and football stars. So a lesson in African-American history comes before a basketball game and kids are often asked, "Did you go to school today?"

Chicago. In Chicago, the YMCA is leading the way in an effort to revitalize the predominately black and economically depressed neighborhood called Woodlawn. The YMCA has just opened its new "South Side Y," housed in a $10 million facility, that will give families a place to go for health and fitness (the kiddie pool is the biggest attraction), for child care, and for youth leadership activities. Families aren't turned away because they can't pay. The YMCA has committed over $150,000 in subsidy payments for those unable to pay the costs of going to the Y.

The YMCA is also working with the city and other groups to build support for a broader community development effort. Already, the city is planning some $50 million in new streets, sidewalks, repairs to the elevated train system, a new public library, and other public works.

Together these programs illustrate the breadth and depth of the YMCA's commitment to youth and community development -- a commitment reaffirmed last year when the YMCA National Board launched the YMCA Youth Work 2000 initiative designed to significantly strengthen and expand YMCA youth programs over the next decade, particularly programs serving "at-risk" youth. As a first step in this youth development initiative, the YMCA of the USA is developing drug abuse prevention curriculum materials to be integrated into our youth sports, child care, and camping programs.

PUBLIC POLICY AND SUBSTANCE ABUSE

YMCAs believe that today's substance abuse problem requires a coordinated strategy and close cooperation among government at all levels, the business community, and community-based organizations like YMCAs. Last year the YMCA of the USA surveyed its member associations -- which represent over 12 million people -- to find out what problems and issues were affecting their communities. Substance abuse was the priority concern of an overwhelming number of those responding. While we will continue to focus our own programs on positive youth development, we are also committed to working at the federal, state and local level to strengthen our overall public policy response to the substance abuse problem.

To capture the experience and insight of local YMCAs on substance abuse policy, the YMCA of the USA has recently prepared and distributed to local YMCAs the attached briefing booklet and questionnaire. It contains a suggested YMCA position on substance abuse prevention policy developed by a special Task Force of the YMCA National Board. While we are still waiting for local YMCA comments, I would like to offer the following suggestions with respect to H.R. 2972, and, more broadly, with respect to the overall federal strategy on the drug problem.

1. Give high priority to prevention and early intervention efforts. The YMCA experience confirms the effectiveness of prevention and positive youth development programs. Early intervention programs for young people who experiment with tobacco, alcohol, and other drugs, can also be very effective in preventing more serious addiction problems. We believe these prevention and intervention programs deserve high priority in federal drug policy.

2. Acknowledge that everyone is at risk. Drugs are not just an inner city problem, but a pervasive threat to all Americans. It is especially important for young people, from all economic classes, to have access to education and prevention programs.

3. Promote community-based responses. To overcome the drug problem, local programs must mobilize a broad base of public and private resources and integrate them into a collaborative effort that effectively responds to the particular circumstances of that community. Community-based organizations like YMCAs can make a major contribution. Federal policy should encourage a high degree of local initiative and close collaboration among public and private groups. For example, section 9511 of H.R. 2972 should authorize demonstration projects involving community-based, as well as school-based prevention programs.

4. Recognize alcohol as a a key element of the substance abuse problem. In many communities, alcohol -- not hard drugs -- is the major substance abuse problem. In fact, alcohol is just another type of drug, also addictive, also illegal for youth, and a significant threat to the health of all Americans. Government policy should clearly define the substance abuse problem to include alcohol and the public should be made aware of the risks involved with its use.

Conclusion

H.R. 2972 gives Congress the opportunity to direct resources toward new and creative programs of prevention. We commend the sponsors, and this Committee, for their leadership on this important issue. The idea of selling drug war stamps might well pull many children into a positive education program -- one that might raise more money than anyone has predicted. YMCAs want to participate and look forward to involving our young people in this national effort.

SPEAKING OUT

SHAPING PUBLIC POLICY

Substance Abuse

Introduction

Last fall's survey on issues, *Speaking Out: Shaping Public Policy,* identified substance abuse as a top priority for YMCA public policy advocacy. Over 300 corporate YMCAs, serving 45% of the YMCA's 13 million constituents, responded to the survey. Substance abuse received four times as many first-place votes as any of the other 24 issues on the survey.

This paper, prepared under the supervision of a special National Board task force, is intended to solicit the views of local YMCAs on what position the movement should take in the substance abuse debate. The paper reflects the premise that YMCA public policy positions must be firmly rooted in YMCAs' collective program experience and philosophy. Thus, the approach taken reflects the shared YMCA experience of fostering sound values and healthy lifestyles.

YMCAs are encouraged to use the briefing paper as a discussion tool with their public policy committees or other appropriate groups. It is also recommended that YMCAs involve staff and other experts in the discussion of the issue.

The paper briefly outlines the dimensions of the substance abuse problem and reviews how YMCAs are, and will be, addressing it through programs. Based on this perspective, the paper then suggests a set of principles for YMCAs to use in evaluating public policies related to substance abuse. Finally, the paper evaluates current federal prevention efforts in relation to these principles and asks for views from all YMCAs on how the government could more effectively help YMCAs respond in their communities.

Throughout this paper, common terms are used to describe populations, substances, and programs because of the nontechnical audiences to whom it is directed. Experts in the field generally use more precise terms.

The Problem of Substance Abuse

There are few Americans whose lives have not been touched personally by alcohol and drug abuse. Experts say that the substance abuse rate among young Americans is higher than in any other industrialized country, and that alcohol abuse is endemic among all ages, ethnic groups, and economic strata of this society.

Available data indicate that the use of alcohol and drugs by in-school youth has declined slightly in recent years. These figures and most of those used in this paper are derived from the most recent National Institute on Drug Abuse annual study of in-school youth; to date there are no definitive usage studies involving all youth. Many policy-makers question the statistics indicating a decline in usage, suggesting that increased substance abuse among out-of-school youth may more than offset the decline among in-school youth.

However, Americans continue to experiment with and use these substances at an alarmingly high rate. The data also indicate an increase in the use of tobacco and over-the-counter drugs among young people.

The problem is not the same in all communities, although few cities and towns are untouched by it. For some, alcohol and tobacco are the biggest problems. For others, crack and cocaine are far more serious problems. Strategies need to be developed in response to the particular needs and problems of each community.

Consider the facts:

Tobacco. Most young smokers begin between the ages of 11 and 14. Young smokers are significantly more likely to use alcohol and other drugs, especially marijuana.

Alcohol. Nearly all high-school students have used alcohol. At the time of the last annual survey, 38% of high school seniors reported having five or more drinks at one time in the two preceding weeks, and 5% said they drank every day. Children begin at a very young age: 26% of fourth graders and 42% of sixth graders said they had used alcohol.

Marijuana. This is the most widely used illegal drug in America. Among 13-year-olds, 17% have used marijuana. Current regular users total 25 million persons (about 10% of the population). An additional 15 million are occasional users.

Steroids. The use of anabolic steroids among all ages has increased. An estimated 10% of high school students are current users.

Other drugs. More than one-third of high school seniors have used drugs other than tobacco, alcohol, or marijuana. About 40% of young adults in their late 20s have tried cocaine, and 7% have used crack. Fewer young people are using illegal stimulants and pills, but in recent years there has been an increase in the use of legal, over-the-counter "stay-awake" and diet pills.

The YMCA Position on Substance Abuse

The YMCA's public policy approach in this matter has its roots in practical experience with youth and families. Through 139 years of public service and working with tens of millions of young people, YMCAs have maintained that it is more productive to invest in children and youth before they develop high-risk behavior than to try to rehabilitate them afterward. A century ago the viewpoint had become explicit that the real work of the YMCA was preventive rather than reformatory.

Acting on this philosophy, YMCAs currently serve over 6 million children and youth each year through programs that promote healthy lifestyles, responsible values, and self-esteem. YMCAs serve 500,000 children and youth in child care, 2,650,000 in youth fitness and sports programs, 225,000 in Y-Indian Guides and Princesses, and 40,000 in Youth and Government. In all programs, YMCAs provide significant role models for young people, help them to learn about and value themselves, help them develop decision-making skills, and encourage them to step up and become leaders and role models themselves.

YMCAs believe that substance abuse is a symptom of greater problems, and that all children are vulnerable—a view confirmed by the pervasive nature of the substance abuse problem.

To complement their youth development programs, many YMCAs have early intervention programs, often in collaboration with other agencies. The intervention programs are for children and youth who have alcohol and other drug-related problems or who have begun to experiment in that direction. Because poor performance in school and early delinquency are two important predictors of youth at risk of substance abuse, YMCA mentoring, tutoring, and juvenile justice programs are often successful at turning kids in a positive direction before they develop severe problems.

Some YMCAs have also developed counseling and treatment programs. In 1989, 166 YMCAs had smoking cessation courses, and 212 offered substance abuse programs. The drug-free and alcohol-free environment of a YMCA offers recovering addicts a place to build healthy mind, body, and spirit.

Recognizing the important role YMCAs can and do play in the development of young people, in 1989 the National Board adopted a youth development initiative which reaffirms the YMCA's commitment to a national leadership role in providing youth programs that:

- Build self-esteem
- Improve personal health
- Develop employment skills and career goals
- Provide education and training
- Develop leadership skills and service opportunities

The youth development initiative established the framework for the YMCA of the USA's Youth Work 2000 program. This 10-year plan can help those YMCAs using it to develop strategies that address key youth issues within their communities and, in particular, to increase programs for at-risk youth.

Youth Work 2000 also embodies two key elements of the YMCA's overall program philosophy: a strong emphasis on collaboration, and support for effective grassroots program initiatives. YMCAs, because of their local, independent natures, are close to the needs of young people in their communities and often work in collaboration with other local agencies and government to strengthen programs for youth. For example, more than 1,000 YMCAs last year reported some sort of cooperation with schools, plus local (662), state (458), and federal (165) levels of government.

To help YMCAs respond to the substance abuse issue in their communities, and to further the goals of the youth development initiative, the YMCA of the USA concentrates on finding creative and successful local programs and fostering their replication throughout the Y movement. These programs reflect the principles of best practice and the Y mission of promoting healthy mind, body, and spirit.

It is from these many elements that the following recommended YMCA public policy positions on substance abuse have been developed.

A Recommended Public Policy Position on Substance Abuse

General Principles

Building self-esteem, developing healthy lifestyles, instilling positive values, and strengthening families are central to the YMCA mission and are important elements of a national substance abuse policy. YMCA programs offer people opportunities to grow—mentally, physically, and spiritually.

The YMCA is one of the largest youth-serving organizations in the country. Over 6 million children and teenagers participated in YMCA programs last year. Young people come to the YMCA for a variety of reasons, but once there, they find a wholesome environment where they can learn about themselves, develop positive life skills and values, and have fun.

YMCAs believe that today's substance abuse problem requires a coordinated strategy involving government and the private sector. YMCAs' major efforts will continue to focus on positive youth development as a primary prevention strategy.

However, YMCAs are also committed to working in partnership at the local, state, and federal levels, not only to help young people stay away from drugs, but also to help kids stop who may be experimenting with drugs, and to ensure adequate treatment for people in need of recovery. YMCAs believe that drug policy should reflect the following principles:

Recognize Alcohol and Tobacco as Key Elements of the Substance Abuse Problem: Federal policy should recognize that tobacco, alcohol, and other drugs represent a significant threat to the health of all Americans, particularly children and youth. Government policy should define the problem to include tobacco, alcohol, and over-the-counter drugs as well.

Acknowledge that Everyone is At Risk: Effective programs recognize that everyone is at risk of addiction. Therefore, federal policy should support programs that involve people of all ages and from all economic classes. It is especially important for young people to have access to prevention programs, regardless of their life circumstances.

Give High Priority to Prevention Efforts: Programs that promote self-esteem and healthy lifestyles and that teach decision-making, help people develop skills that improve their chances for leading positive, successful lives and prevent young people from becoming substance abusers. Shrinking the supply of drugs involves huge outlays of resources; that strategy will never be as successful as initiatives directed at shrinking the market. Therefore, prevention should be a significantly higher priority in government substance abuse policy. Federal, state, and local prevention programs should encourage the development of new, creative approaches to preventing substance abuse among youth.

Provide for Early Intervention: Children, teens, and adults who experiment with tobacco, alcohol, and other drugs—or experience related problems—should be provided with services to prevent the development of severe addiction problems in the future. Government policy should recognize and support the development of early intervention programs.

Ensure Access to Treatment Programs: These should be available to people who are addicted to alcohol and other drugs. Government policy should promote recovery and provide resources to assist communities in providing programs that meet the needs of the addict and aid in recovery.

Increase Public Information about the Risks of Tobacco and Alcohol: Everyone pays for substance abuse, directly or indirectly. The severe consequences of addiction demand that policies encouraging tobacco and alcohol use be curtailed. This should include a prohibition of advertising encouraging youth to smoke or drink. Government policy should support public education campaigns directed toward reducing the use of tobacco, alcohol, and other drugs.

Promote Research: The knowledge base has not kept pace with growing awareness about the problems associated with substance abuse. There is a great need for information about the problem, possible solutions, and effectiveness of programs. Government policy should promote and fund research studies.

Promote Community Collaboration: Neighborhoods and communities must be encouraged to create initiatives that reflect the needs of the people who live there. Government policy should provide funds and other incentives and should support programming that involves public/private partnerships at the local level.

Support Community-Based Organizations: Nonprofit, community-based organizations are critical providers of successful prevention, early intervention, and treatment programs. Government policy should provide funds and other incentives to increase these groups' effectiveness. Furthermore, government programs should not limit eligible providers; they should involve schools, for-profits, and nonprofits in programs.

Encourage Innovation and Replicate Successful Local Programs: Solutions to the problems associated with substance abuse require innovation, risk-taking, and creative programming. Government policy should support such efforts and recognize successful models for replication in other communities. Government policy should also recognize the needs of local programs for a sustained commitment to funding.

Federal Policy and its Relation to YMCA Principles

Overall Federal Funding

Declaring that drugs represent the gravest domestic threat to the United States, President Bush proposed a war on drugs. Congress embraced the President's goal and authorized $3.18 billion in new antidrug spending for fiscal year 1990. These new funds bring total antidrug spending to $8.8 billion.

To put these amounts into perspective, here is a comparison with some other federal spending:

- $ .58 billion on the homeless
- .71 billion on child nutrition
- 2.8 billion on social service block grants to states
- 8.8 billion on the war on drugs
- 302.9 billion on defense

Of the total federal drug prevention funds, almost three-quarters is used to reduce the supply of drugs through interdiction and law enforcement; the remaining 28% targets the demand side through prevention, education, and treatment.

Programs of Special Interest to YMCAs

The Alcohol, Drug Abuse, and Mental Health Services Block Grant provides states with over $1 billion for prevention, treatment, rehabilitation, and community mental health services.

The Office of Substance Abuse Prevention awards grants to nonprofit organizations to target at-risk youth. OSAP funds early intervention, education, and recreation programs.

The Administration for Children, Youth, and Families awards grants to nonprofit organizations to improve and expand drug abuse prevention for at-risk, runaway, and homeless youth. The office also administers a grant program to prevent at-risk youth from associating with gangs involved in illicit drug activities.

ACTION, the federal agency responsible for volunteer programs, including the Peace Corps and VISTA, operates a $7.9 million program that aids nonprofit organizations with drug abuse prevention programs that use volunteers.

The Drug-Free Schools and Communities Program has an appropriation of $538.5 million that is allocated to the states (70% is administered by the state departments of education; the rest goes to the Governor for discretionary programs). These funds are for community/school partnership programs, including alternative schools, antidrug media campaigns, and other activities.

Weaknesses in Federal Drug Prevention Policy

In evaluating overall federal drug prevention policy in relation to the recommended YMCA principles, five significant weaknesses emerge:

1. *Inadequate emphasis on prevention, intervention, and treatment.* Federal policy is generally oriented toward restricting access to illegal drugs—supply reduction—and so the majority of funding (73%) is spent on interdiction and law enforcement. The federal priority is not on prevention, education, early intervention, or treatment; in fact, only within the past five years has the federal government provided significant funding for demand reduction strategies. Historically, the federal government has left demand reduction to the states.

2. *Inadequate coordination among federal, state, and local governments.* The federal government appropriately leaves administrative policy and program decisions to the states. However, federal policy should require states to establish more effective planning and coordination processes at the state and local levels.

3. *Community-based organizations have been excluded from some key programs.* It is customary for the federal government to identify those providers of service that it will allow to handle its programs. Its designations are sometimes excessively narrow and may not be appropriate in all communities. Of particular concern to community-based organizations is the Drug-Free Schools and Communities Program. It establishes schools as the provider of its prevention and education programs. While community-based organizations may apply for funding under the

Governor's discretionary grant program, they are unable to apply for the education-based funds even if the local education agency elects not to participate.

4. *Funding for research has been severely curtailed over the past 10 years.* Federal policy has all but disregarded the need for research on addiction. While there are a variety of unrelated studies indicating risk factors, experts readily acknowledge that there is no definitive list of characteristics or life experiences (with the exception of alcoholic parents) that identify potential addicts before they engage in substance use. Research on the relationship between cultural influences and substance abuse is also extremely limited. Also, the most significant federal study of drug usage rates covers only in-school youth, excluding what most experts regard as the high-risk group: out-of-school youth. Even though experts agree upon the need for a comprehensive research base, neither the President nor the Congress is advocating a redirection of resources toward research.

5. *Public education programs are not a federal priority.* Most of these programs have been funded through private initiatives. The federal programs almost exclusively target drugs other than alcohol, tobacco, and marijuana. Congress has required health warning labels on tobacco products for over two decades, and it recently extended this requirement to alcoholic beverages. Still, federally supported public education efforts targeted on alcohol and tobacco have been seriously inadequate, given the magnitude and cost of alcohol and tobacco abuse. This policy may be changing, as evidenced in recent actions by Louis Sullivan, Secretary of Health and Human Services. He has criticized tobacco companies for targeting advertising toward working-class women and minorities, already high risks for tobacco use.

Key Resources

National Board Task Force on Substance Abuse Policy

John Casey, Chair

Hans A.B. Jonassen

A. Sidney Holderness, Jr.

Bessie Williams
Program Committee

Larry Alvey
Program Committee

Calhoun Cox, Jr.
Program Committee

Mike Graves
President, YMCA of Delaware

YMCA National Board Public Policy Committee

A. Sidney Holderness, Jr., Chair
James Ashley
John Casey
Donald B. Davis
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Allan B. Head
Julius Jones
Hans A.B. Jonassen
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Staff

Bob Boisture
Director, Washington Office

John Ferrell
Director, Program Services

Debbie Murdock
Assistant Director, Washington Office

Lowell Overby
Associate Director, Program Services

Substance Abuse Survey: Developing a Public Policy Position

The Public Policy Committee of the National Board of YMCAs has urged all YMCAs to consider forming their own public policy committees, and many have done so. It is these local committees, composed of YMCA volunteers, that are asked to consider this paper and recommend answers to the questions below for consideration by the branch or corporate boards, if that is necessary at their YMCAs.

If decisions on the answers were not reached by a public policy or other volunteer committee at your YMCA, please identify the individual who filled out the survey (CEO or branch executive, program director, board member). Such identification is necessary for the National Board committee to represent clearly the movement's views on specific public policy proposals.

Name _____ Assoc. # _____

Your YMCA Position _____

Your YMCA Address _____

City _____ State _____ Zip _____

Phone ( ) _____

1. Do you support the recommended YMCA public policy positions on drug abuse?

_____ yes
_____ yes, with the changes noted below
_____ no

Please describe your suggested changes, if any:

2. How is your YMCA addressing the issue of substance abuse? Please explain.

a. Are you operating specific substance abuse programs (e.g., smoking cessation, drug treatment, etc.)?

b. Are you offering prevention programs (with or without a specific substance abuse component)?

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On the questions that follow, there are two things to do. First, please indicate whether you agree, disagree, or are undecided about the statement. Second, please rank each statement in priority order (5 is the highest priority, 1 the lowest). Priority ranking will guide the use of limited YMCA advocacy resources.

3. The government should provide more funds for prevention programs.

(circle answer) agree disagree undecided

(circle priority) 1 2 3 4 5
(low) (high)

4. The government should provide more funds for treatment programs.

(circle answer) agree disagree undecided

(circle priority) 1 2 3 4 5
(low) (high)

5. There is little or no coordination in my community of substance abuse prevention and treatment funds. The government should do more to provide incentives for coordination.

(circle answer) agree disagree undecided

(circle priority) 1 2 3 4 5
(low) (high)

6. The government should provide communities with funds for demonstration programs. Our community does not have enough resources to test new prevention and treatment models.

(circle answer) agree disagree undecided

(circle priority) 1 2 3 4 5
(low) (high)

7. The schools in our community do not involve nonprofit organizations in the Drug-Free Communities and Schools program. The government should specifically allow involvement of nonprofit organizations in this program.

(circle answer) agree disagree undecided

(circle priority) 1 2 3 4 5
(low) (high)

8. Our YMCA would like to offer more youth development programs, but we need resources. Expanded government aid for nonprofit organizations involved in prevention would be put to good use in our community.

(circle answer) agree disagree undecided

(circle priority) 1 2 3 4 5
(low) (high)

9. Any government funds for substance abuse programs need to include support for local administration costs.

(circle answer) agree disagree undecided

(circle priority) 1 2 3 4 5
(low) (high)

10. Our YMCA could use some public funding to support staff training on the issue of substance abuse.

(circle answer) agree disagree undecided

(circle priority) 1 2 3 4 5
(low) (high)

11. In order to develop effective programs, our YMCA staff members need more information on the causes of addiction. Government should support better research about what works with youth.

(circle answer) agree disagree undecided

(circle priority) 1 2 3 4 5
(low) (high)

12. Kids are getting the wrong message about drinking and smoking because advertising by tobacco and alcohol companies targets them. These companies should be restricted in their ability to advertise to young people at sporting events, on television, and in magazines which appeal to youth.

(circle answer) agree disagree undecided

(circle priority) 1 2 3 4 5
(low) (high)

Chairman ROSTENKOWSKI. Thank you, Mr. Danielson.
Ms. Donahue.

STATEMENT OF ALICE C. DONAHUE, INTERNATIONAL PRESIDENT, THE GENERAL FEDERATION OF WOMEN'S CLUBS

Ms. DONAHUE. Mr. Chairman, members of the Ways and Means Committee, I am Alice Donahue, president of the General Federation of Women's Clubs.

I am honored this morning to have the opportunity to testify before this panel on a bill that seeks a creative approach to financing our Nation's struggle against drugs.

I would like to take just one moment to introduce the General Federation of Women's Clubs, the oldest and largest volunteer women's organization in the world. We have 9,000 clubs in every community throughout our country and 400,000 members.

For 100 years, women's clubs have been remarkably successful in marshaling all of the resources of their cities and towns, to tackle problems ranging from illiteracy to environmental pollution to crime. We are most proud of the fact that yesterday, April 24, marked the 100th anniversary of our founding.

So I feel it is fitting that I appear here today, the first day of our second century, to speak to you about a bill addressing an issue of such enormous concern as drug abuse.

We all know too well the toll that drugs are taking. We also know that if our battle against the influence of drugs is to be successful, it will require three major components: a consensus among the entire populations that drugs are a problem warranting our undivided attention and action immediately; a commitment from all facets of the community to work together toward solutions; and, of course, an influx of financial resources to fund our efforts.

We believe that Congressman Jerry Lewis' proposal to issue drug war bonds will help to address each of these components, and we commend him for offering this creative approach.

While I think it is fair to say that a consensus has already been reached that drugs are a serious problem, many still feel helpless to do anything about it. The drug war bond program will give concerned adults a means to become involved in solving the problem simply by buying a bond.

Very often, once a person takes this first step, he or she may also want to find out more about other antidrug efforts in the community and become an active partner in these efforts.

If, as is proposed in the legislation, stamps are issued to enable incremental purchasing of bonds, children will also become active, enthusiastic participants in this national effort against drugs, rather than merely the recipients of adults' antidrug messages.

Finally, the drug war bond program will, we hope, add funds to the national effort against drug abuse. As president of a 100-year-old organization, I can offer insight into the program's potential fund raising capacity, based on GFWC's experience with World War II war bonds.

Between Pearl Harbor and the end of the war, GFWC conducted five separate war bond campaigns. The last two, called Buy a Bomber campaigns, sold bonds specifically for the purchasing of

equipment. The 1943 to 1944 campaign raised over $102 million for the purchase of planes for the Army Air Corps.

In 1944, GFWC turned its attention to the Navy, raising more than $150 million which paid, in those days, for the purchase of 431 planes for the U.S. Navy.

Today it may sound a bit comical to think of the local woman's club buying a bomber. Nonetheless, it is inspiring to know that between 1943 and 1945, the women of GFWC raised over $250 million. They were able to do this because of their leadership roles within their communities and because the cause was something that all believed in.

I believe that GFWC and other committed civic groups, like those sharing this panel, will be able to have similar success with a bond campaign focused on the drug problem.

There are just two cautionary points that I would like to raise. One is that the emphasis of the drug campaign should not be directed primarily at such efforts as prison construction. While recognizing the importance of law enforcement in overall drug efforts, I believe a campaign seeking citizen involvement should focus on the need for increased drug prevention education and treatment at the community level.

I am also concerned somewhat about the concept of drug war bonds. Perhaps it is time to call for drug recovery bonds, or some similar title, with an emphasis on healing rather than doing battle.

Whatever the ultimate title, I do pledge to you the support of the General Federation of Women's Clubs for a bond sale campaign to increase the involvement of our citizens in meeting the needs of their community and the Nation. Working together we can help to create a safer, stronger, drug-free environment.

Thank you.

[The statement of Ms. Donahue follows:]

TESTIMONY OF:

ALICE C. DONAHUE, INTERNATIONAL PRESIDENT
THE GENERAL FEDERATION OF WOMEN'S CLUBS

BEFORE

THE WAYS AND MEANS COMMITTEE
U.S. HOUSE OF REPRESENTATIVES

ON

THE DRUG WAR BOND ACT
(H.R. 2972)

APRIL 25, 1990

Mr. Chairman and Members of the Ways and Means Committee,

On behalf of the General Federation of Women's Clubs (GFWC), I am honored to have the opportunity to testify before this distinguished panel on H.R. 2972, a bill that seeks to adopt a creative approach to financing our nation's struggle against drugs.

I would like to take just one moment to introduce our organization to those who may be unfamiliar with it. GFWC is the oldest and largest volunteer women's organization in the world, with 9,000 clubs active in communities large and small across the United States and many more clubs and affiliates in over 40 countries around the world. For one hundred years, women's clubs have worked to address the most pressing needs of their communities and the nation. They have been remarkably successful in marshalling all of the resources of their cities and towns to tackle problems ranging from illiteracy to environmental pollution to crime. We are most proud of the fact that yesterday, April 24, 1990, marked the 100th anniversary of the founding of the General Federation of Women's Clubs.

So it is perhaps fitting that I should appear here today, the first day of GFWC's second century of service, to speak to you about a bill addressing an issue of enormous concern not only to the women of GFWC, but to all Americans: the problem of drug abuse. From the "big picture" problems of lost productivity and increased crime to the very personal individual tragedies of babies born addicted to crack and teenagers losing their lives in gun battles not on some foreign battlefield, but in their own neighborhoods, we all know too well the toll that drugs are taking.

We also know that if our battle against the influence of drugs is to be successful, it will require three major components: a consensus among the entire population that drugs are a problem warranting the attention and action of each and every one of us, a commitment from all facets of the community to work together toward solutions, and an influx of financial resources to fund our efforts. We believe that Congressman Jerry Lewis' proposal to issue "Drug War Bonds" will help to address each of these components and we commend him for offering this creative approach.

While I think it is fair to say that a consensus has already been reached that drugs are a serious problem, the grim stories of the latest victims of drug abuse or drug-related violence may leave us feeling helpless to do anything about the problem. By giving individuals an opportunity to do something, even something so simple as buying a bond, we will help to build a consensus that not only is drug abuse a problem, it is a problem in which we can and should become involved in finding a solution.

A consensus having been reached, the next step is to bring the various segments of the community into a partnership, so that we all can work together, rather than in competition or at cross-purposes. A fundamental approach that GFWC follows in all of its community service work, including its drug and alcohol abuse prevention program, is to network with other more specialized organizations and with local public agencies and private groups in order to maximize the effectiveness of our efforts. Thus, for instance, our member clubs obtain materials and information from national experts, then work with local schools, libraries, police departments, churches and youth groups to implement drug education programs. In this way, many segments of the community become involved in a community effort to prevent drug abuse among young people.

The sale of Drug War Bonds could serve to bring together even more members of the community in a united effort. Adults who are not now active in anti-drug efforts will be given an opportunity to become involved by doing something simple -- purchasing a bond. Once a person takes this first step, he or she may also want to find out more about anti-drug efforts in the community and become an active partner in these efforts.

If, as is proposed in the legislation, stamps are issued to enable incremental purchasing of bonds, children will more easily be able to purchase bonds for themselves. This would be an exciting step, as it would make children participants in the national effort against drugs, rather than merely recipients of adults' anti-drug messages.

Finally, the Drug War Bond program will, we hope, add funds to national efforts against drug abuse. As president of a 100-year-old organization, I can offer insight into the program's potential fund raising capacity, based on GFWC's experience with World War II War Bonds -- a major GFWC project at that time.

I recently came across a photograph in the magazine of the Maryland Federation of Women's Clubs that showed a World War II- era military plane (an Army Air Corps P-51 Mustang to be exact.) On the side of the plane was painted "Woman's Club of Kensington." This rather incongruous sight sent me to our GFWC archives, where I learned that between Pearl Harbor and the end of the war, GFWC conducted five separate war bond campaigns.

The last two campaigns, dubbed "Buy a Bomber" campaigns, sold bonds specifically for the purchasing of equipment. The 1943-44 campaign, during which the "Women's Club of Kensington" plane was purchased, raised over $102 million. The state of Maryland, which raised the most during that campaign, was alone responsible for the purchase of 9 heavy bombers, 30 medium bombers and 41 pursuit planes for the Army Air Corps. The GFWC President who assumed office in 1944 decided to turn attention to providing an "Air Armada" for the Navy. During the 1944-45 campaign GFWC clubs raised a total of more than $150 million, which paid for the purchase of 431 planes for the U.S. Navy.

In some quarters, it may sound somewhat comical today to think of a local woman's club "buying bombers." It is nonetheless inspiring to know that these women in the years between 1943 and 1945 raised over $250 million. They were able to do this because of their leadership roles within their communities and because the cause was something that all believed in. I believe that GFWC and other committed civic groups will be able to have similar success with a bond campaign focused on the drug problem.

Of course, it is easy to point to the fact that times have changed, that America is less innocent. Too many direct mail campaigns have jaded us to the needs of even the most worthy causes.

Nonetheless, there are signs that our nation may be ready for this kind of program. For instance, with the news about the myriad threats to the environment, individuals whose consciousness has been raised are seeking things they can do to help. Whether it's recycling newspapers, carrying a cloth tote bag to the grocery store or starting a backyard compost pile, people want to do <u>something</u> for the cause.

We believe that this is also true for citizens concerned about the drug situation. People need to feel they that they are not powerless to help. Children need to feel that they are more than potential victims of an insurmountable menace, that they are in control of their own lives and able to help others, as well. To the extent that drug bonds can help to accomplish this, they will be of benefit whether they raise the anticipated billions or a lesser amount.

There are just two cautionary points I would like to raise. One is that the emphasis of the drug bond campaign should not be directed primarily at such efforts as prison construction. While recognizing the importance of law enforcement in overall drug efforts, I believe it will be very hard to motivate people to buy bonds to raise funds to build more prisons in order to lock up more people. A campaign seeking citizen involvement should focus on the need for increased drug prevention education and treatment at the community level.

I am also somewhat concerned about the concept of Drug "War" Bonds. Our society has already been so wounded by drug violence that I can't help wondering whether we do ourselves a disservice by invoking the language of war that divides us into armed camps and speaks of conquest against an enemy. Perhaps it is time to call for "Drug Recovery Bonds" or some similar title with an emphasis on healing of individuals and communities.

We must remember that the drug problem does not exist in a vacuum; it is related to problems of poverty, inadequate education, and, for too many, a lack of purpose in life. We must not lose sight of the need to treat these root causes, as well.

Whatever the ultimate title chosen for H.R. 2972, I pledge to you the support of the General Federation of Women's Clubs for its bond sale campaign to increase the involvement of our citizens in the needs of their community and the nation. Working together, we can help to create a safer, stronger drug-free environment.

Thank you.

Mr. GUARINI [presiding]. Thank you very much, Ms. Donahue.

I would like to call upon Dick Stickle, the executive director of the National Federation TARGET Program, based in Kansas City, Mo. We welcome you, sir.

STATEMENT OF DICK STICKLE, EXECUTIVE DIRECTOR, NATIONAL FEDERATION TARGET PROGRAM, KANSAS CITY, MO.

Mr. STICKLE. Mr. Chairman and members of the committee, thank you very much for the opportunity to be here today in support of the drug war savings bond program. My name is Dick Stickle. I am the executive director of the National Federation TARGET Program, a nonprofit corporation with a long-term commitment to help address the serious problem that we face in the alcohol and other drug issue.

The National Federation of State High School Associations and TARGET, through its 51-member State associations, provide many services to our Nation's schools. TARGET's chemical-health services include a monthly "On TARGET" publication that goes to in excess of 19,000 high schools, private and public, throughout America. We recently distributed a publication to 66,000 elementary schools, of which each of you received a copy. This publication was sent to both public and private schools at no expense to the schools.

We have a national resource center with a toll-free number. Many people have told us that our resource center is the best in the Nation. We have a leadership training program that addresses the issue within the schools, and we have had excellent success in curtailing and limiting the use of alcohol and other drugs in these schools as a result of leadership training. We have a most futuristic approach with an interactive program where some of you have witnessed this.

TARGET is blessed with a dedicated board of directors from a cross-section of society to help us address our goals and objectives. One of these objectives is the pledge to help the drug war savings bond program.

At the risk of dating myself, I recall the popular war bond effort during World War II. It helped create an ownership, an involvement, a team effort, a winning attitude. The young people wanted to help. Parents, grandparents, aunts, and uncles were all involved. That war became our war. If we are going to win this most important war on drugs, we must first accept the ownership of the problem.

We believe that the proposed program can provide the necessary funding for education and prevention efforts in our success in winning this war against drugs. However, that will be minuscule, in my opinion, to the major benefits of the drug war savings bond program.

There will be an opportunity for educators, parents, and others to provide endless opportunities for teachable moments with our young people about the alcohol and other drug problems. These moments cannot be underestimated as to the future impact on our young people.

Thanks to the 70-year-old association of the National Federation with the Nation's schools, TARGET is capable of reaching each and

every school to implement the drug war savings bond program. America's youth is the greatest in the world and will make every effort to be successful on all of these fronts. Students need the opportunity for involvement. I cannot emphasize that enough. I personally am confident that they will rally to the support of this cause.

I commend the committee for their willingness to look at an old, yet innovative, approach to total involvement, one that has proven results.

Thank you, Mr. Chairman and members of the committee.

Mr. GUARINI. Thank you, Mr. Stickle.

Mr. Rangel.

Mr. RANGEL. Let me thank this panel for the outstanding job that they are doing for America, and more specifically as it relates to trying to protect our youngsters against this epidemic that is sweeping our country and the world. I cannot agree with you more that educating our kids through having them directly involved is a mechanism that should be used. My enthusiasm, however, withers when the Treasury Department indicates clearly that in recent years, after accounting for administrative expenses and the differences between redemption and purchases, the savings bond program has not raised a significant amount of new funds. In fact, when the accrual of interest is added, the program has resulted in a net outflow of funds for budget purposes. That is what the Deputy Treasury Secretary indicated before you testified.

In addition to that, you should know—if you followed the testimony carefully of Congressman Lewis—that we are not talking about earmarking the funds raised to the war against drugs. He now has conformed his bill to meet some of the objections raised by the Treasury to say that the funds go into the general revenues, the same way tax funds go; that the funds are subjected to the rules of Gramm-Rudman, which means we can cut that across the board, or not cut it; and the funds also are subjected to the appropriations process.

Nothing hurts me more than how hard I fought for lotteries in the State of New York as a State legislator, earmarked for education, only to find in my State, as in other States, the legislators say, "Well, we don't have to put money there, they are getting their money from the lottery." And so you should recognize that while it sounds exciting to have kids participating—although what they would be doing is loaning money to the Federal Government which they would have to pay back when they get older and start getting some jobs, because the budget deficit would be theirs to pay, not ours—that we still won't be able to say that whatever money is raised, even if it is less than expected, we can't say with any degree of certainty that one nickel more will be spent on the war against drugs.

That is the reason I have my reservations, but I certainly believe that it is an issue that should be discussed. People should be educated, and certainly your commitment should be encouraged no matter what vehicle you intend to support.

Thank you, Mr. Chairman.

Mr. GUARINI. Thank you very much, Mr. Rangel.

I want to thank the panel. You have an army of volunteers that your organizations lead that really helps to make America work. I want to commend you in that regard.

Let me ask you a question. If the drug war bond does not for different reasons succeed, are there any of you here that would be for a tax that would be dedicated? Some $4 billion is going to be raised by the war bonds. Why not have a specific designated tax for all the money that is collected goes to the war against drugs and not to administrative expenses? Would you prefer that system to a drug war bond?

Ms. DONAHUE. I would be happy to tell you how I feel about it. I think the drug war bond, because of what it is, would be able to involve more individual citizens throughout all of our communities, in addition to the youth. I think probably the bond program will do more than a tax because you do get community involvement, a better knowledge within the community of the problem, the drug problem we are facing.

I feel that there are many people that still are not aware of the extent of it and what it is doing to the youth of our country. I cannot see a tax getting that kind of community involvement, which in turn might develop some contributions of funds towards what is going on to fight drugs.

If there is no alternative, then, yes, I think I would support some kind of a tax. But I do not think it would be as effective.

Mr. GUARINI. If you had your druthers, Ms. Donahue, of $1 billion to be used in the stamp system or $1 billion to be used in the educational system, where there would be no administrative costs but the money would be really spent in programs in the schools itself, which could have stamps and coloring books and many other things, where would you prefer the $1 billion to be spent?

Ms. DONAHUE. Programs right in the schools.

Mr. GUARINI. All right. Thank you.

Ms. DONAHUE. If we had programs in every single school, not just some of the ideal and the wonderful pilot programs that there are all over the country. But a major national program.

Mr. GUARINI. Thank you.

Mr. DANIELSON. Mr. Chairman, I would have to say that the YMCA will be committed to working in areas of substance abuse no matter what. Our intent is not to solicit or look for Federal dollars. We have to generate much of that ourselves.

Particularly after this morning, I must say I am not an expert on how money is generated to fund programs—through taxes or bonds—but I just feel that prevention aimed at young people ought to be a priority. No matter what, we are going to be in that arena.

Mr. GUARINI. Is the alcohol problem as bad among young people as the drug problem?

Mr. DANIELSON. Yes, in some communities the alcohol problem has been and is bad.

Mr. GUARINI. Would you say, then, there should be a substance war bond instead of a drug war bond, substance abuse bond where you would widen the abuse of the substance that was affecting our young people?

Mr. STICKLE. Mr. Chairman, our opinion is that alcohol is a drug, and when we refer to drugs, we would refer to alcohol as one of the

drugs, and certainly as a drug of choice by our young people today, far and away.

Mr. HERNDOBLER. We agree with that, Mr. Chairman.

Mr. GUARINI. All right. Thank you very much. I want to thank the panel for its wisdom and for the input that you have given us. Thank you very much.

Robert J. Hill, the District of Columbia and Virginia representative of Toughlove International, and the president of the Coalition for a Drug Free Community; and Robert H. Harrison, senior project director, COSMOS Corp. in Washington; the National Beer Wholesalers' Association, the Honorable Ron Sarasin, president; and also Mr. Roger Chapin, president and founder of Citizens for a Drug Free America.

Would you gentlemen come forward, please? Your statements will be put into the record and noted, and I would appreciate it if you could make your remarks to the point and summary of your statements.

Mr. Hill, who is the representative of Toughlove International and the president of Coalition for a Drug Free Community, we welcome you, sir, and we would appreciate your remarks.

STATEMENT OF ROBERT J. HILL, DISTRICT OF COLUMBIA AND VIRGINIA REPRESENTATIVE, TOUGHLOVE INTERNATIONAL, AND PRESIDENT, COALITION FOR A DRUG FREE COMMUNITY, VIENNA, VA.

Mr. HILL. Thank you. I am Robert Hill. I am the president of the Coalition for a Drug Free Community, and the representative for the District and Virginia for Toughlove International, which is a national organization of parent support groups who are having problems with their——

Mr. GUARINI. Could you speak into the microphone a little bit, sir?

Mr. HILL. Yes. It is a national organization of support groups for parents who are having problems with their children.

I am also a father, and I think that is my most important role on this planet. I am a former law enforcement officer, the father of two recovering chemically dependent kids, and a recovering alcoholic myself. I thank you for this opportunity to be here this morning.

I would like to share a few things with you to try to encapsulate my remarks. I believe that the public perception of this drug war is much like that of the Vietnam conflict: The problem is over there; it is not here. I call it the "not my" syndrome. It is not my kid, not my school, not my company, not my church, not my community—what I heard here this morning, not my political party—definitely not my problem. Fortunately or unfortunately, depending upon your viewpoint, we didn't have a Pearl Harbor to start the war on drugs. It has been an ongoing sneak attack for a long time. The majority of the American public, all they know about it is what they see on television and read in the paper. That is really as it should be. I wouldn't wish the personal tragedy and experience that my family had to go through upon anyone in the world. But I

think that experience gives me a slightly different perspective on things.

I know that war, any kind of war, is expensive. But I believe that the alternative to fighting this war effectively and properly, the ultimate cost would be impossible to calculate. I have never seen human life and potential listed in the Consumer Price Index.

I truly believe that we start this war with the battle of overcoming the attitudes and beliefs. We fight first a war on apathy. I think we do that by attacking some of the attitudes and beliefs that have become so ingrained in our society. I believe that the battlefield is here. It is right here in our hearts, our minds, our homes, and our families. I think back to Walt Kelley's cartoon character, Pogo, who said, "We have met the enemy, and he is us." I think we would do well to resurrect Pogo and appoint him drug czar in this war on drugs, or at least the commander-in-chief, because I believe that the biggest battle that we have to win, the first battle, is to identify all of the drugs that we are fighting.

I have yet to meet a crack addict whose initial drug of choice was crack. I have never seen an ad for marijuana or crack on television. The most popular drug of choice and abuse for young people is alcohol. It is the number 1 gateway drug for adolescents. Yet our national drug control strategy excludes alcohol from any consideration. Mr. Bennett's patent response to this issue is that alcohol is not an illicit substance. I would submit that for the 3.5 million adolescent alcoholics and the countless other kids in our society who graduate from alcohol to Mr. Bennett's approved list of illegal drugs, that alcohol is both a damaging and illicit substance. I would hope that materials that might be used to promote this drug bond promotion would carry that message very, very strongly.

I have three short recommendations for you. The first would be that, if possible, to direct the proceeds of any revenues generated by these war bond sales to education, prevention, and treatment more so than enforcement. We must do more to reduce the appetite for drugs in our society. Supply is controlled by demand. That is basic economics, and it is being practiced better by dirtbag dope dealers than any Harvard M.B.A. could have ever dreamed of.

The second recommendation, again, if possible, would be to rethink both the timeframe on the bond sales and dollar cap on maximum sales. Effective demand reduction is going to require restoring of family and society values as well as the creation of new rituals and traditions for young people. Those are generational issues and tasks. They are going to take a lot of time and a great deal of money.

My final caution would be in the use of celebrities to promote the bond sales. The kids that I see—and I see lots of them on a daily basis—tell me that the drug prevention messages they hear from celebrities are not credible. There is a perception in our society, particularly among young people, that entertainment and sports celebrities use drugs on a regular basis and encounter very few, if any, negative consequences.

I thank this committee for their efforts, and I appreciate your having me here today to testify.

[The statement of Mr. Hill follows:]

ROBERT J. HILL
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MR. CHAIRMAN, MEMBERS OF THE COMMITTEE:

MY NAME IS ROBERT HILL, I AM THE PRESIDENT OF THE COALITION FOR A DRUG FREE COMMUNITY, THE DISTRICT OF COLUMBIA AND VIRGINIA REPRESENTATIVE FOR TOUGHLOVE INTERNATIONAL, AND THE COMMUNITY ORGANIZER FOR A DRUG PREVENTION PROGRAM IN FAIRFAX COUNTY VIRGINIA CALLED EACH ONE REACH ONE WHICH IS A JOINT EFFORT OF GEORGE MASON UNIVERSITY AND THE COMMUNITY SERVICES BOARD OF FAIRFAX COUNTY. I AM ALSO THE FATHER OF TWO RECOVERING CHEMICALLY DEPENDENT YOUNG ADULTS, A FORMER LAW ENFORCEMENT OFFICER, AND A RECOVERING ALCOHOLIC.

I WELCOME THIS OPPORTUNITY TO APPEAR HERE TODAY AND SHARE WITH YOU SOME OBSERVATIONS I HAVE MADE AND OPINIONS THAT I HAVE DEVELOPED DURING THIRTY YEARS OF PERSONAL AND PUBLIC STRUGGLE WITH THE AWESOME ISSUE OF SUBSTANCE ABUSE IN OUR SOCIETY.

THE TWO ORGANIZATIONS FOR WHICH I SPEAK TODAY, THE COALITION FOR A DRUG FREE COMMUNITY AND TOUGHLOVE INTERNATIONAL APPLAUD AND ENDORSE H.R. 2972, THE DRUG WAR BOND ACT OF 1989. THERE CAN BE NO QUESTION THAT IN ORDER TO SUCCESSFULLY WAGE AND HOPEFULLY WIN THIS WAR ON DRUGS, WE MUST BE FINANCED AS WELL AS THE ENEMY. H.R. 2972 IS A POSITIVE, CREATIVE APPROACH NOT ONLY TO THE ISSUE OF FINANCE, BUT PERHAPS EVEN MORE IMPORTANTLY TO THE ISSUE OF TRULY INVOLVING THE AMERICAN PEOPLE, MOST OF WHOM HAVE BEEN ARMCHAIR SPECTATORS TO THE MOST VICIOUS STRUGGLE FOR SURVIVAL OUR NATION HAS EVER HAD TO FACE.

I STATED THAT I WOULD SHARE SOME OBSERVATIONS AND OPINIONS WITH YOU, WHICH ARE:

1. THE PUBLIC PERCEPTION OF THE "WAR" IS MUCH LIKE THAT OF THE VIETNAM CONFLICT. THE PROBLEM IS "OVER THERE". I CALL IT THE "NOT MY" SYNDROME, NOT MY KID, NOT MY SCHOOL, NOT MY COMPANY, NOT MY CHURCH, NOT MY COMMUNITY, NOT MY PROBLEM. FORTUNATELY OR UNFORTUNATELY, THIS WAR DIDN'T START WITH A PEARL HARBOR. IT'S BEEN AN ONGOING SNEAK ATTACK WHICH CONTINUES DESPITE OUR BEST AND SOMETIMES OUR WORST EFFORTS TO CONTAIN IT. FOR THE MAJORITY OF OUR POPULATION, MOST IF NOT ALL THEY KNOW ABOUT THIS WAR IS WHAT THEY READ OR SEE AND HEAR IN THE MEDIA. THAT IS AS IT SHOULD BE, I WOULD NOT WISH THE PERSONAL INVOLVEMENT THAT MY FAMILY EXPERIENCED ON MY WORST ENEMY. HOWEVER, WITHOUT THAT EXPERIENCE, MY PERSONAL COMMITMENT WOULD BE ON A PAR WITH THAT MAJORITY. IN FACT I WOULDN'T BE HERE TODAY. THIS IS NOT WHAT I EVER ENVISIONED DOING FOR A NON-LIVING. I DO BELIEVE THAT UNTIL THE MAJORITY OF THE AMERICAN PEOPLE ACCEPT SOME OWNERSHIP OF THE DRUG CRISIS, WE HAVE LITTLE HOPE OF WINNING THE WAR. PERHAPS, THROUGH IMPLEMENTATION OF THE DRUG WAR BOND ACT OF 1989, THE AMERICAN PEOPLE CAN AND WILL BECOME PART OF THE SOLUTION AND PURCHASE THEIR PIECE OF THE VICTORY.

2. WARS ARE COSTLY, BUT THE ALTERNATIVES TO FIGHTING THIS ONE ARE EVEN MORE EXPENSIVE AND THE ULTIMATE PRICE OF NOT FIGHTING IT ARE IMPOSSIBLE TO CALCULATE. HUMAN LIFE AND POTENTIAL AREN'T LISTED IN THE CONSUMER PRICE INDEX. IN MY COMMUNITY, FAIRFAX COUNTY VIRGINIA, OUR ELECTED BOARD OF SUPERVISORS RECENTLY VOTED ON THE BUDGET FOR FISCAL YEAR 1991. THE WAR ON DRUGS IS A RELATIVELY INSIGNIFICANT LINE ITEM IN THAT BUDGET AND THE MESSAGE IS SIMPLE, WITHOUT STATE AND FEDERAL FUNDING THE WAR WON'T BE SIGNIFICANTLY WAGED THIS FISCAL YEAR. IT IS NOT THE FAULT OF THOSE SUPERVISORS. I PERSONALLY DON'T AGREE WITH ALL OF THEIR PRIORITIES, BUT NOT EVERY FAMILY IN FAIRFAX COUNTY HAS A KID WITH A DRUG PROBLEM, HOWEVER THEY ALL MUST USE OUR STRANGLED ROAD SYSTEM. THAT'S POLITICAL REALITY AND WE ALL MUST LIVE WITH IT, SADLY SOME WILL DIE WITH IT. WE HAVE IN FAIRFAX COUNTY A SUPERB DRUG PREVENTION PROGRAM CALLED EACH ONE REACH ONE. THE PROGRAM EVOLVED FROM A FEDERALLY FUNDED DEMONSTRATION GRANT. IT WORKS, IT IS FACILITATED BY TRAINED PREVENTION STAFF, AND IT PRODUCES MEASURED OUTCOME DATA FOR RESEARCH. THE PROGRAM GOES FAR BEYOND BUMPER STICKERS, BUTTONS, PLATITUDES, AND SLOGANS. IT IS DIRECTED AT "HIGH RISK" YOUTH (I PERSONALLY DISLIKE LABELS LIKE "HIGH RISK", I BELIEVE THAT ALL KIDS ARE AT RISK BUT ONCE AGAIN REALITY MANDATES THAT WE USE THE TERMS DEVELOPED BY THE FEDERAL MONEY GIVERS IN ORDER TO GET) AND THE PARTICIPANTS ARE EXPOSED TO HEALTHY ALTERNATIVES TO DRUG USE, AND GIVEN A SAFE, STRUCTURED ENVIRONMENT IN WHICH THEY CAN DEVELOP THE PRACTICE SKILLS THEY NEED TO ENGAGE IN THOSE ALTERNATIVES INSTEAD OF DRUGS. WE HAVE 150 KIDS ACTIVELY INVOLVED IN THE PROGRAM. THE PROGRAM ENDS WITH THE EXPIRATION OF THE GRANT IN AUGUST OF THIS YEAR. THOSE 150 KIDS WILL BE LEFT TO THEIR OWN DEVICES TO COPE WITH THE PRESSURES AND THREATS WHICH THEY FACE. ALSO, HUNDREDS OF OTHER KIDS WILL NEVER BE ABLE TO HAVE THAT PROGRAM TOUCH THEIR LIVES NOR WILL THOSE 150 KIDS CURRENTLY IN THE PROGRAM HAVE THE OPPORTUNITY TO SHARE THEIR STRENGTH, HOPE, AND EXPERIENCE WITH OTHER KIDS IN NEED. BEFORE WE CAN WIN THIS WAR ON DRUGS, WE MUST FIRST FIGHT AND WIN A WAR ON APATHY.

3. WHERE DO WE START WINNING THE WAR ON APATHY? I BELIEVE THAT WE START WITH AN ASSAULT UPON MANY OF THE ATTITUDES AND BELIEFS THAT WE HOLD SO DEAR AND WHICH HAVE BECOME SO INGRAINED IN OUR CULTURE AND SOCIETY. THE BATTLEFIELD IS NOT OVER THERE, IT IS RIGHT HERE, IN OUR HEARTS, OUR HOMES, AND OUR FAMILIES. WALT KELLEY'S CARTOON CHARACTER, POGO, SAID IT VERY ELOQUENTLY YEARS AGO WITH THAT NOW FAMOUS, BUT ALMOST FORGOTTEN, PHRASE "WE HAVE MET THE ENEMY AND HE IS US". WE WOULD DO WELL TO RESURRECT POGO AND APPOINT HIM DRUG CZAR. OUR BIGGEST BATTLE IN THE WAR ON APATHY AND DRUGS IS TO FIRST IDENTIFY ALL OF THE DRUGS AS DRUGS. I HAVE YET TO MEET A CRACK ADDICT WHOSE INITIAL DRUG OF CHOICE WAS CRACK. I HAVE YET TO SEE A TELEVISION COMMERCIAL FOR CRACK OR MARIJUANA. THE MOST POPULAR DRUG OF CHOICE AND ABUSE AMONG YOUNG PEOPLE IS ALCOHOL. ALCOHOL IS THE NUMBER ONE GATEWAY DRUG FOR ADOLESCENTS. YET, OUR NATIONAL DRUG CONTROL STRATEGY EXCLUDES ALCOHOL FROM ANY

CONSIDERATION. MR. BENNETT'S PATENT RESPONSE TO THIS ISSUE IS THAT ALCOHOL IS NOT AN ILLICIT SUBSTANCE. I SUBMIT THAT FOR THE ESTIMATED 3.5 MILLION ADOLESCENT ALCOHOLICS AND FOR THE COUNTLESS OTHER KIDS IN OUR SOCIETY WHO GRADUATE FROM ALCOHOL TO MR. BENNETT'S APPROVED LIST OF ILLEGAL DRUGS, ALCOHOL IS BOTH A DAMAGING AND ILLICIT SUBSTANCE. IT WOULD BE HELPFUL IF THE PROMOTIONAL MATERIALS USED TO PROMOTE BONDS TO CHILDREN COULD CARRY A MESSAGE DISCOURAGING THE USE OF ALCOHOL BY YOUNG PEOPLE. THAT WOULD BE A START AND PERHAPS WITH SOME OF THE REVENUE GENERATED BY BOND SALES, WE COULD INCREASE EDUCATION AND PREVENTION EFFORTS DIRECTED AT DECREASING ALCOHOL USE BY CHILDREN.

I HAVE THREE CLOSING RECOMMENDATIONS FOR YOU. THE FIRST IS, IF POSSIBLE, TO TRY TO DIRECT THE PROCEEDS OF THESE BOND ISSUES TO EDUCATION, PREVENTION, AND TREATMENT MORE SO THAN ENFORCEMENT. WE MUST DO MORE TO REDUCE THE APPETITE FOR DRUGS IN OUR COUNTRY. SUPPLY IS CONTROLLED BY DEMAND. THAT'S BASIC ECONOMICS AND IT'S BEING PRACTICED BETTER BY DIRT BAG DOPE DEALERS THAN ANY HARVARD MBA COULD EVER HAVE DREAMED OF. THE SECOND RECOMMENDATION, AGAIN IF POSSIBLE, WOULD BE TO RETHINK BOTH THE TIME FRAME ON BOND SALES AND THE DOLLAR CAP ON MAXIMUM SALES. EFFECTIVE DEMAND REDUCTION WILL REQUIRE RESTORING OF FAMILY AND SOCIETAL VALUES AS WELL AS THE CREATION OF NEW RITUALS AND TRADITIONS FOR YOUNG PEOPLE. THOSE ARE GENERATIONAL ISSUES AND TASKS. WE NEED TIME AND MONEY TO DO THAT. THIRD AND FINALLY, PLEASE BE EXTREMELY CAUTIOUS IN THE USE OF CELEBRITIES IN PROMOTING BOND SALES. KIDS TELL ME ALMOST EVERY DAY THAT THE PREVENTION MESSAGES DELIVERED BY CELEBRITIES ARE NOT CREDIBLE. THERE IS A PERCEPTION IN OUR SOCIETY THAT ENTERTAINMENT AND SPORTS CELEBRITIES USE DRUGS ON A REGULAR BASIS AND ENCOUNTER FEW IF ANY NEGATIVE CONSEQUENCES. THOSE MESSAGES ARE MOST DAMAGING WHEN DELIVERED BY THOSE WHO ARE ALLEGED TO BE RECOVERING FROM ADDICTION.

I THANK YOU FOR YOUR FINE EFFORTS AND THIS OPPORTUNITY TO TESTIFY HERE TODAY.

Mr. GUARINI. Thank you, Mr. Hill.

Mr. Harrison of the COSMOS Corp. Mr. Harrison, we welcome you.

STATEMENT OF ROBERT H. HARRISON, SENIOR PROJECT DIRECTOR, COSMOS CORP., WASHINGTON, D.C.

Mr. HARRISON. Thank you, Mr. Chairman and members of the committee.

My name is Robert Harrison, and I am the senior project director with COSMOS Corp., a research and consulting firm in Washington, D.C. However, I come before you today as a veteran of the drug war this Nation waged in the late 1960's as well as a combatant in the current war on drugs. I will not burden you with statistics about the nature of today's drug dilemma, nor with anecdotes of my attempts to combat this recalcitrant problem which negatively affects all of American society. Rather, I would like to thank you for the opportunity to mention briefly what I believe is a major deficiency in both the past and present campaigns against escalating drug abuse in this country, and what corrective action I believe can greatly enhance our national resolve to overcome our present drug

abuse challenges. Simply put, our past and present efforts lack an essential, contributory role that millions of everyday Americans readily can play that signals that this entire Nation has taken a decided posture against the scourge of drug abuse and addiction.

This is no way denigrates the efforts of citizens across the Nation who have been or presently are engaged in battles to gain back their communities, schools, and family members from this pernicious problem. Their efforts are gallant, praiseworthy, and must continue. Unfortunately, these measures too often are reactions born of frustration, anger, or the drive for survival which, at best, are tantamount to attempting to sweep back the tide with a broom.

Nor do I mean to dismiss the efforts by all levels of government which are addressing the problem from many perspectives, including law enforcement, education, prevention, and treatment. Here, again, these efforts are necessary and, hopefully, will continue with insightful policies, planning, and programming, as well as adequate long-term funding to carry them out.

Yet there is more to be done. In the early 1970's, then President Nixon and others declared that we had "turned the corner" on the drug problem. Today, we know all too well what was around the bend. And if we are to be more effective now than in the past, we must recognize that the entire Nation, not just targeted subgroups or communities, must have a sense that the war can be won, that everyone possible must be enlisted to help fight it, and that it is a responsibility to both self and country to contribute to the struggle in as many ways as possible.

Through my work in the drug abuse field over the years, I have met countless citizens who wish to be more involved in the fight, but encounter many obstacles to participation. More significantly, many of them feel that this war can be won only through the efforts of government or law enforcers, or prevention and treatment professionals, or someone else. And so the war struggles on without the involvement of many who are concerned but not yet committed.

The War on Drugs Bond Act proposes a mechanism that readily could raise needed revenue to contribute to the many types of local measures essential to combat the drug menace. More significantly, this measure would signal to millions of everyday Americans nationwide that there is a role they can play, irrespective of their time, knowledge, or willingness to perform more frontline activities. While careful analysis will be needed to determine how different localities could best use funds raised through bonds, this measure alone could catalyze a groundswell that would capture the spirit of Americans from all walks of life. And it is this groundswell, this focusing of the national spirit on the problem that must occur if we truly expect to win the war this time.

Thank you very much.

Mr. GUARINI. Thank you, Mr. Harrison.

I would like to call on the Honorable Ron Sarasin of the National Beer Wholesalers' Association. As a former Member of the House, we give you a special warm welcome, Mr. Sarasin.

STATEMENT OF HON. RON SARASIN, PRESIDENT, NATIONAL BEER WHOLESALERS' ASSOCIATION, INC.

Mr. SARASIN. Thank you very much, Mr. Guarini.

Mr. Chairman, I appreciate the opportunity to be here before you today to testify in support of Jerry Lewis' bill, H.R. 2972, the Drug War Bond Act. The beer wholesaling industry is made up of 90,000 people who take an active interest in the national war on drug abuse. Many of them, indeed, are deeply involved in their own communities in antiabuse programs.

Drug abuse has been at the top of the national agenda for several years. Nonetheless, despite the best efforts of Congress, the administration, and countless law enforcement officers, health professionals, and volunteers, drugs remain a serious problem in our major cities and elsewhere. The public expects more to be done, and, indeed, the public wants to do more. Enactment of the legislation you are considering today would provide an excellent opportunity to get the American people more directly involved in the war on drugs.

Beer wholesalers also want to do more. That is why NBWA is prepared to buy the first $100,000 of drug bonds that come off the printing presses.

Some have proposed financing the drug war through an earmarked increase in the Federal excise tax on beer and other licensed beverages. In my opinion, such proposals are both unfair and detrimental to the antidrug effort. Indeed, I believe they are part of a broader attempt to lump beer and illegal narcotics together in the same class, and obviously I take great issue with that proposition.

It is a fact that alcohol is abused by a small portion of the 100 million Americans who drink. Beer wholesalers participate in a variety of programs to combat alcohol abuse, and we will do more, because we do not want the business of abusive drinkers, we do not want the business of drunk drivers, we do not want the business of those who are under age. Now, the vast majority of Americans who consume our products do so moderately and responsibly. By way of contrast, there is no such thing as moderate and responsible use of illegal drugs. Illegal drug use is always dangerous and almost always addictive.

The American beer industry generates almost $10 billion in revenues for Federal, State, and local governments, and employs, directly and indirectly, over 2 million Americans. Needless to say, the illicit drug trade generates no tax revenue and costs billions and billions of dollars to all levels of Government.

Just as it should be obvious that responsible consumption of a glass of beer, one of the simple pleasures of life for millions of Americans, is in no way related to use of illegal and life-threatening drugs, it should be equally obvious that beer consumers should not be asked to bear the financial burden of fighting the war on drugs by themselves.

Mr. Chairman, the continuing drug emergency requires extraordinary measures and a firm commitment on the part of governments, the private sector, and especially on the part of individuals.

One way to ensure that kind of commitment is to enact the legislation that is today before the committee.

I thank you, sir.

Mr. GUARINI. Thank you very much, Mr. Sarasin. I want to thank you for your generous offer of buying those first $100,000 of bonds in the event that it should happen.

I last would like to call on Mr. Chapin, who is the president and founder of the Citizens for a Drug Free America. Mr. Chapin.

STATEMENT OF ROGER CHAPIN, PRESIDENT AND FOUNDER, CITIZENS FOR A DRUG FREE AMERICA

Mr. CHAPIN. Mr. Chairman and distinguished members of the committee, may I extend my gratitude to Congressman Jerry Lewis who had the backbone and the foresight to champion the Drug War Bond Act, and also to Senator Pete Wilson, who led the charge in the Senate, and my thanks to the committee as well for this invitation.

As an original proponent of the act and founder and president of Citizens for a Drug Free America—a national grassroots organization of over 300,000 contributing supporters—I am pleased to share with you why I believe the act is so crucial to the success of our Nation's drug control strategy.

The act is primarily intended to attack key aspects of the drug crisis that previously enacted legislation has failed to address.

But as important as the problems the act seems to help solve, is the funding mechanism it would employ. Like the savings bonds that helped rally all America behind our efforts to win World War II, drug war bonds would do wonders to rally our citizenry behind a war that has already inflicted more casualties upon us—the dead and the disabled—than all the wars in our previous history.

Winning the war on drugs will not only require substantial additional resources, but also a heightened level of consciousness and involvement on the part of the American people. A high-powered drug war bond campaign, championed by celebrities and public officials, would be just what the doctor ordered to breathe new life and energy into the faltering drug war and give it a huge psychological boost.

The proceeds from the drug bonds themselves would enable desperately needed new initiatives on both the demand and supply side of the problem.

Most promising are several innovative demonstration projects that have the potential to make substantial and cost-effective inroads into critical areas where we are now failing very badly. For example:

One, a television series broadcasting self-help programs targeted at both users and their families—much like an AA or NA of the air. The broadcast could ultimately assist literally millions of users not otherwise seeking or receiving treatment.

Two, a demonstration work-study boot camp that would not only shake up young adult offenders but, more importantly, shape them up by equipping them with the education and skills needed in a productive, trouble-free life. Without such programs, our criminal

justice system will continue to be a revolving door for young offenders and a bottomless pit for taxpayers.

Three, a 3-year in residency work-study program for qualified disadvantaged high school graduates to provide the equivalent of 2 years junior college education. We simply have to develop more effective ways of attacking the underlying roots of the drug problem.

On the supply side, drug war bonds would help to alleviate the ever worsening overcrowding in our State prisons which is enabling literally hundreds of thousands of drug-related felony arrestees to defeat the system. According to the Department of Justice sources, in 1986, only about 2 of every 100 felony arrestees ended up going to prison. Most of the other 98 continued to prey on our children and our neighborhoods.

Because the consequences of unbridled drug crimes are so horribly destructive to our entire society, we in good conscience, can no longer afford to wait for the States to solve the problem on their own. Accordingly, the act proposes to sell U.S. Government guaranteed drug war bonds to fund the construction of Federal prison facilities to be available in part for housing State prisoners.

The combination of drug war bonds and the new Federal prison capacity would enable many States to overcome two of their most difficult hurdles to prison expansion, insufficient bonding authority and siting.

Participating States would be assessed a per diem charge that could be sufficient to pay all principal and interest on the bonds plus the total operational costs. I would hope included would be a comprehensive treatment rehabilitation and education program designed to greatly improve the inmates' prospects for becoming productive, law-abiding citizens upon their release.

While not presently in the bill, I strongly recommend the bonds also be used to finance the construction of prisons that States could lease from the Federal Government and operate themselves with rehabilitation programs at no net cost to the Federal Government.

In considering the above proposals, I would urge you to keep in mind that 95 percent of all prison inmates are housed in non-Federal facilities, and that 99 percent of all felony arrestees are dealt with outside the Federal system. Yet, all congressional antidrug legislation enacted to date relative to criminal justice is focused almost entirely on the Federal side of the problem.

America's drug crisis cries out for solutions, and the kind of creative funding mechanisms that provide the resources to enable these solutions. Regardless of whose responsibility we may think it is to provide these resources, the stark reality is that in the absence of congressional action, these resources will not be forthcoming.

If the Congress fails to act, it will, in my view, be guilty of the worst kind of irresponsibility and false economy. Let us realize that the cost to implement the needed solutions to the drug crisis are but a small fraction of the cost of allowing the crisis to persist, a crisis whose public and private costs easily exceeds $300 million a day or $100 billion a year.

I must candidly tell you that I, along with my 300,000 contributing supporters, are fed up with the drug war having become a political football. We want serious solutions and not more bickering

about who should pay for what. The fact is that we taxpayers are going to wind up paying the bill in any case, and we don't much care what portion comes out of our right pocket to pay the IRS or out of our left pocket to pay the States.

Survey after survey has demonstrated that the American people are willing to put their money where their mouth is to win the war on drugs. I urge the administration and the Congress to do the same.

Of the 137,000 plus respondents to our own national referendum on the Drug War Bond Act, 78 percent supported it, a margin of 19 to 1 over those opposed. You see, there is a lot more at stake here than just dollars. The Drug War Bond Act is about our kids and our grandkids. It is about trying to do everything we can to protect their futures from the ravages of drugs.

I sincerely hope and trust that you will keep this uppermost in mind when you pass judgment on the Drug War Bond Act for if you don't, who else will.

Countless citizens stand ready and willing to buy drug war bonds. I only ask that you give them the chance to invest in a drug-free America.

My thanks, and I will be happy to answer your questions.

[The statement and attachments of Mr. Chapin follow:]

CITIZENS FOR A DRUG FREE AMERICA

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Roger Chapin

National Field Director
Clark R. Bowers

Vice President
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San Diego City Schools

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Bill Cosby
Senator Pete Wilson (CA)
Cybill Shepherd
Gov. James G. Martin (NC)
Gov. Mike Sullivan (WY)
Gov. Norman Bangerter (UT)
Muhammad Ali
G. Wilson Goode, Mayor, Philadelphia, PA
Marci Anspach
Tom Selleck
Sen. David L. Boren (OK)
Gen. William C. Westmoreland
Anne Bancroft
Maurice T. Turner, Sr., Chief, Washington, D.C. F.D.
Joe DiMaggio
Mary Lou Retton
Joe D. Coffey, Former Chief, Nashville, TN
Phyllis Diller
Cong. Philip M. Crane (R)
Pearl Bailey
Wilt Chamberlain
Rosey Grier
Charleton Heston
Willard Scott
Marva Collins
Dionne Warwick
Cong. Bob McEwen (OH)
Carol Burnett
Sam V. Bacco, Chief, Albuquerque, NM F.D.
Eddie Arcaro
Johnny Unitas
Art Carney
Cong. Robert Lindsay Thomas (GA)
Milton Berle
Cong. Joe Barton (TX)
Floyd Patterson
Douglas Fairbanks, Jr.
Steve Garvey
Lee Majors
Burt Sloan

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STATEMENT BY ROGER CHAPIN
PRESIDENT AND FOUNDER
CITIZENS FOR A DRUG FREE AMERICA (CDFA)
on
H.R. 2972, THE DRUG WAR BOND ACT OF 1989

Before the
Committee on Ways and Means
U.S. House of Representatives

April 25, 1990

Mr. Chairman and distinguished Members of the Committee, My thanks for the opportunity to address you today. May I take this opportunity to extend my own and Citizens For A Drug Free America's deepest gratitude to Congressman Jerry Lewis who had the backbone and the foresight to champion the Drug War Bond Act and who's leadership was largely responsible for our being here today. Also our thanks to Senator Pete Wilson, who led the charge in the Senate. And too, may I commend the Chairman and the entire Committee for giving the Drug War Bond Act an early hearing.

As an original proponent of the Drug War Bond Act of 1989 and founder and president of Citizens For A Drug Free America - a national grassroots organization of over 300,000 contributing supporters, I'm pleased to share with you why I believe the Act is so crucial to the success of our nation's drug control strategy.

The Act is primarily intended to attack key aspects of the drug crisis that previously enacted legislation has failed to address.

But as important as the problems the Act seeks to help solve, is the funding mechanism it would employ. Like the savings bonds that helped rally all America behind our nation's efforts to win World War II, Drug War Bonds would do wonders to rally our citizenry behind a war that has already inflicted more casualties upon us - the dead and the disabled, than all the wars in our previous history.

Winning the war on drugs will not only require substantial additional resources, but also a heightened level of consciousness and involvement on the part of the American people. A high-powered Drug War Bond campaign, championed by celebrities and public officials, would be just what the doctor ordered to breathe new life and energy into the faltering drug war and give it a huge psychological boost.

The proceeds from the Drug Bonds themselves would enable desperately needed new initiatives on both the demand and supply side of the problem.

Most promising are several innovative demonstration projects that have the potential to make very substantial and cost-effective inroads into certain critical areas where we are now failing very badly. For example:

1. A special television series that would broadcast regular daily self-help programs targeted at both users and their families - much like an AA or NA of the air. Viewers would be encouraged to phone in for information on support groups in their own community. If successful, the broadcasts could eventually reach literally millions of users who would not otherwise seek or receive help, very possibly providing the answer to cost-effective, long-term treatment for a great many chemically dependent individuals. The TV concept has evinced considerable interest and excitement in the professional treatment community.

2. Although not fully defined in the proposed Act, a demonstration. Work/Study "boot camp" that would not only shake up young adult offenders, but more importantly, would shape them up by equipping them with the education and skills needed to constructively cope in our increasingly high tech, competitive society. In the absence of such programs, our criminal justice system will continue to be a revolving door for young offenders.

3. A 3-year, in-residency Work/Study program for qualified high school graduates who pass a competency test. This program would provide the equivalent of a two-year junior college education at no cost to its participants. The idea is to provide hope and educational and vocational training opportunities to deserving disadvantaged individuals who could not otherwise further their education. Production facilities would be part of the Work/Study complexes. The labor savings would greatly reduce the cost to taxpayers.

With but a minimal investment we can prove out the efficacy of these and other projects that have the potential to reap huge dividends by dealing more cost effectively with the drug epidemic and its underlying roots.

On the supply side of the problem, the Act would help to alleviate the ever worsening overcrowding in our state prisons which is enabling literally hundreds of thousands of drug related felony arrestees to defeat the system and to remain free. In the great majority of cases, this means these criminals will continue to prey on our children and our neighborhoods. Until we develop the capability to get these drug felons off the streets and behind bars we will never be able to reverse the present lopsided risk-to-reward ratio which so heavily favors the drug criminal and which serves to effectively remove the criminal justice system as a serious deterrent force. According to Department of Justice sources, in 1986, only about two of every 100 felony arrestees ended up going to prison. A majority of these arrestees committed drug related offenses.

Due largely to a lack of political will, the states have failed to come to grips with the problem by adequately expanding their criminal justice capabilities. Because the consequences of this continuing failure are daily proving to be catastrophic for our entire nation, I am convinced that the federal government has no rational alternative but to urgently and meaningfully act to dramatically scale down the magnitude of the problem. We simply can no longer, in good conscience, afford to wait for the states to solve the problem on their own.

Accordingly, the Act proposes to sell U.S. Government guaranteed "Drug War Bonds" to fund the construction of federal prison facilities to be available, in part, for housing state prisoners. The combination of Drug War Bonds and new federal prison capacity would enable many states to overcome two of their most difficult hurdles to prison expansion - insufficient bonding authority and siting.

Participating states would be assessed a per diem charge for each inmate in an amount that could be sufficient to pay off the amortized construction cost over 10 years - that is all principal and interest on the bonds, plus the total operational costs. Thus the bonds could be retired at no net cost to the federal government.

I would hope the per diem charge would include a comprehensive treatment, rehabilitation and education program designed to greatly improve the inmates' prospects for becoming productive, law-abiding citizens upon their release.

I would urge the Congress to consider adding a provision to the bill that would enable the states to use Drug War Bond proceeds to finance construction of prisons that states could lease from the federal government and operate themselves. Participating states should be required to operate treatment, rehabilitation and education programs that met prescribed criteria.

The Act also proposes that the bonds could be used to fund a demonstration project to construct county jails. I would recommend these jails be leased from the federal government. This would help relieve the desperate shortage of pre-trial detention facilities, which results in most felony arrestees being turned loose within hours of their capture.

In addition to expanding jail and prison capacity, there is also a crucial need to expand the capability of local jurisdictions to bring drug related cases to trial and thus break the logjam in the courts which results in endless plea bargaining and makes a mockery of the whole criminal justice system. Again, bond proceeds could be used to help enable local jurisdictions to better deal with this problem, and at no cost to the federal government.

In considering the Act and all the above proposals, I would urge you to keep in mind that 95% of all prison inmates are housed in non-federal facilities and that 99% of all felony arrestees are dealt with outside the federal system. Yet, all Congressional anti-drug legislation enacted to date relative to criminal justice has focused almost entirely on the federal side of the problem.

The bottomline of all this is that, on the supply side, Drug War Bonds -- at relatively little or no cost to the federal government, could become the key to getting hundreds of thousands of pushers off the streets and behind bars, where they can't continue to ravage our communities. In the

immediate short term, this, more than anything else we can do to effect supply, will drastically curtail the accessibility of drugs and, as a consequence, very significantly reduce their consumption, particularly by casual users. While we can't effectively impede the flow of drugs into our country, we can hit the drug distribution network where it's most vulnerable -- in the streets and through the crack houses. Until the penalty for any and every kind or level of drug trafficking is swift, certain and stiff, there will be no hope for any serious progress in reducing supply.

Members of the Committee, America's drug crisis cries out for solutions and the kind of creative funding mechanisms that can provide the resources necessary to help enable these solutions. Regardless of whose responsibility we may think it is to provide these resources, the stark reality is that in the absence of congressional action these resources will not be forthcoming. If the Congress fails to act, it will, in my view, be guilty of the worse kind of irresponsibility and false economy. For let us recognize that the cost to implement the needed solutions to the drug crisis are but a small fraction of the cost of allowing the crisis to persist.

Just the cost of providing the extra care soon to be required by the 1,000 drug afflicted babies who will be born in the next 24 hours will amount to a staggering $50 million! And that doesn't even begin to consider the daily cost that drugs currently inflict on our society -- a cost that when measured in lost productivity, law enforcement, casualty losses, medical and treatment bills, increased insurance premiums and all the rest, easily exceeds $300 million a day or $100 billion a year.

I must candidly tell you that I, along with my 300,000 contributing supporters, are fed up with the drug war having become a political football. We want solutions and not more bickering about who should pay for what. The fact is that we taxpayers are going to wind up paying the bill in any case, and we don't much care what portion comes out of our right pocket to pay the I.R.S. or out of our left pocket to pay the states. Survey after survey has demonstrated that the American people are willing to put their money where their mouth is to win the war on drugs. I urge the Administration and the Congress to do the same. Of the 137,000 plus respondents to our own National Referendum on The Drug War Bond Act, 78% supported it, a margin of 19 to 1 over those opposed.

You see, there's a lot more at stake here than just dollars. The Drug War Bond Act is about our kids and our grand kids. It's about trying to do everything we can to protect their futures from the ravages of drugs. I sincerely hope and trust that you will keep this uppermost in mind when you pass judgment on the Drug War Bond Act - for if you don't, who else will? Countless citizens stand ready and willing to buy Drug War Bonds. I only ask that you give them the chance to invest in a drug-free America.

My thanks and I'll be happy to answer your questions.

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Gov. Norman Bangerter, UT
Muhammad Ali
G. Wilson Gooch, M.D.
Mario Andretti
Tom Selleck
Sen. David L. Boren, OK
Gen. William C. Westmoreland
Anne Bancroft
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Phyllis Diller
Cong. Philip M. Crane (IL)
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Rosey Grier
Charleton Heston
Willard Scott
Marva Collins
Dionne Warwick
Cong. Bob McEwen (OH)
Carol Burnett
Sam V. Baca, Chief FC
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Steve Garvey
Lee Majors
Bart Starr

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RESULTS OF NATIONAL REFERENDUM ON DRUG WAR BOND ACT OF 1989

Starting in late 1989, Citizens For A Drug Free America undertook a nationwide referendum on the "Drug War Bond Act of 1989," which it had co-authored in conjunction with Representative Jerry Lewis.

The response was overwhelming. Over 137,000 people mailed in their completed referendums on the many provisions of the proposed Act, with 78% approving the legislation and only 4% opposing it. That's a margin of 19 to 1 in favor of the Act! The referendum itself and the responses to each of its provisions are attached.

The Drug War Bond Act, now with 245 House co-sponsors, would authorize the issue of up to $4 billion in U.S. Government guaranteed Drug War Bonds to fund the construction of federal prison facilities for state prisoners. A comprehensive treatment, education and rehabilitation program would be intended as part of a concerted effort to break the revolving door cycle of crime. Participating states would be assessed a per diem charge to help retire the bonds. The idea is to assist the states in overcoming their bonding authority and siting problems, which are a major factor in enabling hundreds of thousands of arrested drug felons to defeat the system.

Among it's other provisions, the Act would also fund a number of innovative demonstration projects that have the potential to make very substantial and cost effective inroads into critical areas where we are now failing very badly. For example:

2230 George C. Marshall Drive • Suite 123 • Falls Church, Virginia 22043 • 703-207-9300 • Fax: 703-207-9139
CITIZENS FOR A DRUG FREE AMERICA is a non-profit, tax-exempt corporation

1. A TV series broadcasting self-help programs targeted at the millions of chemically dependent individuals who neither seek or receive treatment.

2. A demonstration Work/Study "boot camp" that would not only shake up young adult offenders, but more importantly, shape them up with the education and skills necessary to a productive, trouble-free life.

3. A free, 3-year, in-residency Work/Study program to provide qualified disadvantaged high school graduates the equivalent of a junior college education.

The Drug War Bonds are not only intended to enable these desperately needed programs, but as important, to provide a vehicle to help rally the American people behind the war on drugs and to prompt them to become more actively involved in its solutions.

Citizens For A Drug Free America and its 300,000 contributing supporters trusts that you will join us in supporting the vitally important Drug War Bond Act of 1989.

Roger Chapin
Founder and President

P.S. If you are already a co-sponsor of the Drug War Bond Act, our thanks for your support.

OFFICIAL BALLOT

1989 NATIONAL REFERENDUM
ON THE EMERGENCY "CITIZENS' WAR ON DRUGS BOND ACT"

Officially the "Drug War Bond Act" H.R. 2972, S.1380

prepared and conducted by Citizens for a Drug Free America

Please mark your vote on each question and return to Citizens for a Drug Free America at the address below.

1. Do you support the Citizens' War on Drugs Bond Act which would authorize the sale of $4 billion in U.S. government guaranteed bonds to fund activities to more effectively combat the drug crisis?

YES 78% NO 4%

2. Of the proposed programs to be funded by the War on Drugs Bond Act, which do you support? (Please vote on each item.)

a) Low-cost federal regional rehabilitation prisons for drug criminals. Costs to be shared by states and federal government. *(Would overcome prison overcrowding and provide space for all felony convicted drug criminals.)*
80% YES NO 4%

b) Matching federal grants to local jurisdictions to break logjam in courts and help eliminate plea bargaining, probation, suspended sentences, etc., for drug criminals.
85% YES NO 3%

c) Federal construction of low-cost county jails with costs shared by local and federal government. *(Would detain arrested drug criminals until trial to prevent them from committing more crimes.)*
81% YES NO 4%

d) Matching funds to schools for no-nonsense, effective drug prevention programs.
80% YES NO 4%

e) Development of more cost-effective drug treatment programs.
76% YES NO 3%

f) Pilot public television series to air "AA-type" meetings with telephone counseling service. *(Would reach millions of drug users who don't seek or receive treatment.)*
68% YES NO 7%

g) Military style boot camps for rehabilitating drug offenders under age 25.
78% YES NO 5%

h) Massive public education campaign to better inform citizens about drug crisis and get them involved in solutions.
77% YES NO 4%

i) Free pilot work/study centers for high school grads who pass competency test to provide equivalent of junior college degree to disadvantaged individuals.
55% YES NO 11%

j) A program to address the activities of violent drug gangs.
81% YES NO 3%

3. CDFA has strongly recommended this Act be amended to include a provision allowing the newly-created federal prisons to be partially self-financed through "production of goods" to be sold at competitive prices in the marketplace. Inmates would learn the work ethic and a marketable job skill, and the cost of their imprisonment to taxpayers would roughly be cut in half, saving billions of dollars. Do you support this provision?

YES 70% NO 5%

4. Will you support Citizens for a Drug Free America's (CDFA) national grassroots campaign to mobilize public pressure on Congress to pass the emergency Citizens' War on Drugs Bond Act (H.R. 2972) — no-nonsense legislation that would effectively and permanently help solve the drug crisis now gripping America?

YES 83% NO 5%

Mr. GUARINI. Thank you very much, Mr. Chapin. I want to thank each of you for the time and concern and the willingness to appear here.

I regret that the rest of the committee with the budget on the floor and many things that we have on the Hill, that they have not been able to be privy to your remarks. But it has been put in the record and it will be noted. And I am sure that the information will be disseminated to the members of the committee.

From the last panel, they seem to feel that when we talk about drug war bonds, we are talking about alcohol as well. I just want to point out that the staff and myself have the impression that when we speak of drug war bonds, we are talking about drugs, we are not talking about all substance abuse, and we are not talking about alcohol.

Is that your understanding of it, Mr. Chapin?

Mr. CHAPIN. Well, I would say drugs are certainly our primary concern. Insofar as children under 18 or 21, where alcohol is illegal, in that case, I would want to very aggressively pursue our efforts because alcohol admittedly is an even bigger problem in the schools than drugs.

Mr. GUARINI. But in regard to this particular legislation, if it just means drugs and not substance abuse, which includes alcohol, would you still be for it, or do you think it should include substance abuse and alcohol as well as drugs?

Mr. CHAPIN. Insofar as children are concerned, illegal users of alcohol, yes. I think it ought to include alcohol as well as drugs.

Mr. GUARINI. How do you feel, Mr. Sarasin? I shouldn't ask you how you feel. [Laughter.]

Mr. SARASIN. Well, let's try and set the stage here. I think there is a real danger in confusing the scourge of drugs with alcohol. In this bill you are talking about drugs, meaning the illegal drugs where use itself is a problem. Use is illegal, use is improper, and there is no moderate or responsible use of the drug.

That's not true with alcohol, and kids understand that. I am not saying that that means that kids should be drinking because the law says they should not. But they do understand that there is such a thing as moderate and responsible use of alcohol because their parents do it, and it has been done for thousands of years.

The message is garbled when we are expecting some little child to think that somehow her father having a can of beer after cutting the grass on a hot summer day is the same as snorting a line of cocaine. There's something wrong with the message, and that's exactly what we see happening when you try and blur the abuse of alcohol with the use of illegal drugs. There is a tremendous distinction. They are not one and the same. And I think the battle has to be fought against the use of drugs.

We should be teaching responsible use of alcohol. Now, we have a lower per capita usage of alcohol than the country of Italy. But Italy doesn't have the abuse problem we do because their culture teaches the responsible use of alcohol. That's what we should be teaching. We shouldn't be blending the message or confusing the message.

Mr. GUARINI. So actually this legislation here is targeted at illegality, not at what is already legal in our system?

Mr. SARASIN. It is targeted, as I understand it, at the use of illegal drugs.

Mr. GUARINI. That's correct.

Mr. SARASIN. It attempts to try and deal with the problem that creates the crime and the drive-by shootings, and all of the other things that are related to illegal drugs as I think we understand them.

Mr. GUARINI. I know there are many different sentiments. I just wanted to come down to the purpose of the particular legislation that we're testifying on today so that we can make it clear as to what we are talking about.

Mr. SARASIN. If I can follow up on that—I don't want to try and monopolize the time.

The reason, and it has been said here today, the reason the drug bond is so attractive is because you get so many more people involved. As some people testified earlier, they remember the war bonds and war stamps of World War II, and I remember them as well. You were committed. There was an ethic at that time that it was important to participate.

If we could develop that same kind of participation against drug use, we would go a long way to solving the problem even if you don't get every dime back in the savings stamp aspect of it.

Mr. GUARINI. I thank you.

Yes, Mr. Chapin.

Mr. CHAPIN. Could I make an additional comment?

As the originator of the whole drug war bond concept in the first place, I was a little concerned that the whole thrust of the discussion has really been towards the funding mechanism as opposed to what these bonds are going to accomplish that I indicated in my testimony. The point being that this does not have to contribute to the deficit. It can be totally revenue neutral. And I would urge the committee that if this whole legislation is structured in the proper fashion, I think we can meet all of the concerns that have been expressed here today about being on a pay-as-you-go basis.

In particular, I envision the vast majority of the funds actually being used as bonds properly are supposed to be used to fund rehabilitation prisons as well as some other things that we have alluded to. And if the States are charged a sufficient per diem amount, we can recover 100 percent of the cost of retiring the bonds as well as the operational cost of the prisons. And I have talked to correctional officers all across the United States who have indicated that, because of their own siting problems and insufficient bonding authority problems, that they would be delighted to be able to send their prisoners to regional Federal prisons.

So I would like to again emphasize that I think this can be a revenue-neutral piece of legislation. And then I would like to, you know, pursue the discussion at another time on that basis.

Mr. GUARINI. If the—hypothetically, if the drug war bond did not succeed, would you be for a special tax designated for drug abuse?

Mr. CHAPIN. I would absolutely because survey after survey has indicated the American people are willing to put their money where their mouth is to finance a war on drugs.

Here is the bottom line of the whole thing. There are hundreds of thousands of felony arrestees, most of whom are creating drug-

related crimes, going free in this country because there is no place to put these guys.

Now, the States have failed to solve the problem on their own. I say that if we are going to have any chance of solving the problem, the Federal Government has got to intervene. So, in other words, the Federal Government is going to become the facilitator to assist the States in solving the problem, but we are not transferring the responsibility from the States to the Federal Government. In other words, the States are still going to have to pick up the tab. And the States, via these per diem charges, are going to enable the Federal Government to recover 100 percent of the cost of retiring these bonds plus all operational expenses. Therefore, this thing can be totally revenue neutral as far as the Federal Government is concerned.

Mr. GUARINI. Mr. Harrison, would you be for a special tax designated for drug abuse?

Mr. HARRISON. Mr. Chairman, I am at war. I use whatever weapons are available to me. My objective is to win. I've been at war, in this war, for 23 years. I will continue to be in this war as long as I am breathing in and breathing out. I will use what is at my disposal.

Mr. GUARINI. Mr. Sarasin.

Mr. SARASIN. Mr. Chairman, I don't think you need a special tax. You need the exercise of priorities by the Congress to spend the dollars that are available or can be found in the general fund and raised in almost any way.

You need that kind of commitment. The value of the war bond proposal, drug bond proposal is that there is another—there is a bonus to it, and that is participation by a greater number of people than would feel they are participating simply because they have been taxed.

Mr. GUARINI. Well, the key to the whole thing is involving people with stamps, is that it?

Mr. SARASIN. I think that's a bonus.

Mr. GUARINI. Now, if you take that out, is the bill still viable? If you say we are not going to have the stamp section, that is not going to be the children that are going to participate as a result of——

Mr. SARASIN. I think it's worthwhile.

Mr. GUARINI. Would that change your whole attitude toward a drug war bond? You would rather have it out of general revenue?

Mr. SARASIN. It wouldn't change my whole attitude. But I think it makes it much less pliable in my opinion because the beauty of it is this extra bonus of having young people participate and having a piece of the action and a commitment to the cause.

When you take that away, then I don't think it's quite as effective.

Mr. GUARINI. You're losing something.

Mr. Hill.

Mr. HILL. I would echo that. In essence, with that out of it, it might be like another day at the office.

But I would also say that we are in a war, whatever it takes in terms of getting the necessary funds to fight the war effectively and make a real effort to win.

I also question whether or not there is a commitment in our country with the people and in the Government to win this war. I think this could be a real test of where that commitment is and if it is.

Mr. GUARINI. I think the message is coming and clear though.

I want to thank each of you for being here today and giving the benefit of your thinking, and especially Mr. Sarasin, your returning to Capitol Hill.

And we will adjourn the meeting at this time. Thank you very much.

[Whereupon, at 12:48 p.m., the hearing was adjourned.]

[Submissions for the record follow:]

AMVETS National Headquarters
4647 Forbes Boulevard, Lanham, Maryland 20706-9961
(301) 459-9600

April 10, 1990

Robert J. Leonard
Chief Council,
Committee on Ways and Means
U.S. House of Representatives
1102 Longworth House Office Building
Washington, D.C. 20515

Reference: H.R. 2972, The Drug War-Bond Act of 1989

Dear Mr. Leonard:

AMVETS will not be able to present oral testimony before the committee regarding the "Drug War Bond Act of 1989."

However, information regarding the AMVETS -- A.A.D.A.A.-program (AMVETS Against Drug and Alcohol Abuse) is provided for committee reference and the hearing record.

AMVETS believes that service to our country does not end at time of discharge from the military service.

"We are concerned about the increased use and acceptance of alcohol and drugs through all levels of society." So wrote AMVETS National Commander, Warren W. Eagles, Sr., to President Bush in September, 1989, after the latter had announced his strategy for combating the drug problem.

In his letter, Eagles went on to tell the president that he was "prepared to mobilize AMVETS to assist you in your war on drugs." The key is community level involvement.

AMVETS is prepared to answer this new call to arms through its A.A.D.A.A. program. (pronounced aid-dah)

If I can be of further assistance to you or any member of your staff, please do not hesitate to contact me.

Sincerely,

Rick Shannon

Rick Shannon
National Programs Director

rws:Enclosures

THE NATIONAL
AMVET
WINTER 1989

Service to country does not end on discharge as veterans answer—

A NEW CALL TO ARMS

"We are concerned about the increased use and acceptance of alcohol and drugs through all levels of society." So wrote National Commander Warren W. Eagles, Sr., to President Bush in September 1989, after the latter had announced his strategy for combating the drug problem.

In his letter, Eagles went on to tell the president that he was "prepared to mobilize AMVETS to assist you in your war against drugs." No less important, he clued Mr. Bush in to Project A.A.D.A.A. (AMVETS Against Drug/Alcohol Abuse), an "educational and awareness program serving as a catalyst to network community resources."

A.A.D.A.A., pronounced *aid-dah*, is the work of the AMVETS Compulsive Disease Committee, chaired by past national commander Ted Leszkiewicz of Warren, Mich. It took more than one year of extensive research and development in the school districts of Grand Rapids, Mich., before A.A.D.A.A. went "national." New Jersey was the first AMVET department to implement the project, followed by nine other states (Michigan, Ohio, Pennsylvania, Maryland, New York, Minnesota, Texas, Arizona and Alabama). The plan is to get the program up and running in all of the states by August 1990.

The New Jersey experience is heartening. In its first month of operation there, A.A.D.A.A. was instrumental in guiding seven veterans and four young adults from the Hoboken area into counseling and treatment. And therein lies its chief value to the community. As Leszkiewicz points out: "A.A.D.A.A. is *not* a treatment center, counseling service or medical facility. Rather, it is meant to be an information clearinghouse and referral service to those people who need help."

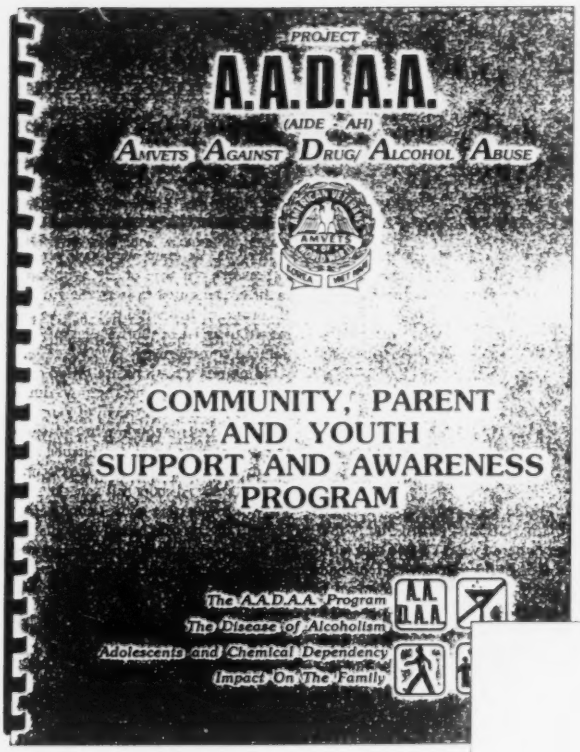
The key is community-level involvement, for it is in America's homes, schools and workplaces that the war against alcohol and drug abuse is being waged—and will be won. The local level is also where A.A.D.A.A. "will have the greatest long-term impact," wrote the president in his reply to Commander Eagles *(opposite, bottom)*.

To accomplish the results the White House is looking for calls for local AMVET posts to establish community parent and youth support and awareness programs in their areas. These local programs are aimed at—

- educating and informing the community about the problems associated with chemical dependency;
- facilitating communications among professionals and agencies working in the field and those who are in need of help;
- encouraging organizations and businesses in the community to become involved;
- monitoring laws that affect the community's ability to provide care and treatment;
- overseeing prevention programs in local school districts and encouraging their development within schools and various community support groups;
- encouraging the development of facilities to deal with the special needs of chemically addicted adolescents in all states.

Further guidance on the goals and purposes of A.A.D.A.A. is contained in a 28-page users manual published by the AMVETS Compulsive Disease Committee *(opposite, top)*. Included is detailed information on how to get the program started, what types of committees are normally involved and where to go for free or low-cost information. The chapters on alcoholism, adolescent chemical dependency and the impact of the problem on families provide a wealth of information on how to recognize substance abuse and deal with it effectively. Leszkiewicz again cautions, though, that "we are not licensed counselors or consultants *(page 14)*."

Even so, AMVETS involved in A.A.D.A.A.



"The key is community-level involvement."

usually cannot help but to have a vested interest in the people they guide to treatment. Going back and forth and making sure "their needs are met" is the way New Jersey AMVETS Ralph Amato and Joe Paladino see their involvement.

That desire to follow through and to get the job done is not surprising for people who are committed to building together for a better America. In a war fought without guns, AMVETS must once again answer the call to serve. ☆

For more information on A.A.D.A.A., contact the AMVETS Compulsive Disease Committee, c/o AMVETS National Headquarters, 4647 Forbes Boulevard, Lanham, MD 20706-9961. **—Dick Flanagan, National Public Relations Director**

THE WHITE HOUSE
WASHINGTON

October 13, 1989

Dear Warren:

Thanks for your good letter extending your organization's support in the war against illegal drugs. I appreciate your offer of assistance, and I've forwarded a copy of your letter to Bill Bennett for his review.

I think that, if there's any place this battle has to be joined, it's close to home, in our towns and communities. I encourage you to maintain and expand your "AMVETS Against Alcohol/Drug Abuse Program" there, where it's most needed and will have the greatest long-term impact.

One of the keys to winning this fight is deepening the awareness of all Americans to the dangers of drug abuse. It appears from your letter that AMVETS is already helping in this regard. I encourage you to continue your efforts through AMVETS posts throughout the country.

Barbara joins in sending our warmest best wishes.

Sincerely,

Mr. Warren W. Eagles, Sr.
National Commander
AMVETS
4647 Forbes Boulevard
Lanham, Maryland 20706

OFFICE OF NATIONAL DRUG CONTROL POLICY
EXECUTIVE OFFICE OF THE PRESIDENT
Washington, D.C. 20500

JUL 21 1989

Mr. Warren W. Eagles, Sr.
National Commander
AMVETS
4647 Forbes Boulevard
Lanham, Maryland 20706

Dear Mr. Eagles:

As you know, President Bush has forwarded your letter to our office for review. I apologize for the delay in responding, but I have been extremely busy in implementing the President's National Drug Control Strategy.

I am glad to hear that AMVETS has developed the "AMVETS Against Alcohol/Drug Abuse Program." Drug abuse is one problem that the American people could probably overcome without the help of the Federal Government. But it is a problem, I am convinced, that the Federal Government cannot prevail over without the support of the American people.

Thank you again for your well considered letter.

Sincerely,

William J. Bennett

William J. Bennett
Director

American veterans Joe Paladino and Ralph Amato, commanding officers in a new war on drugs and alcohol.

PHOTO BY JOHN CROPLEY

The war at home

Local vets combat substance abuse

By John M. Cropley

Imagine fighting in a foreign land in a war to defend your country and then, years later, finding an equally dangerous and more insidious enemy at home. It would be pretty unsettling.

That's essentially what happened for American Veterans of World War II, Korea and Viet Nam (AMVETS), when they gradually recognized substance abuse as an enemy.

With the same spirit that led them to take up arms years ago, AMVETS declared war on substance abuse with a new program called AADAA -- AMVETS Against Drug/Alcohol Abuse -- created by Ted Leszkiewicz, national chairman of the AMVETS compulsive diseases committee. New Jersey's 4,300 AMVETS are the first in the nation to implement AADAA.

Hoboken's Ralph Amato, second vice commander of state programs, reports that in the one month AADAA has been in operation, he has guided seven veterans and four young adults (all Hobokenites) to counseling and treatment programs. One of the young men being treated for drug addiction, in fact, is the son of an AMVET.

"You run into some of these people... they don't care no more. They wish they were dead."

Information clearing house

AADAA is not designed to actually involve the veterans in treating the participants; rather, is is intended to provide a community resource, a "clearing house" of information and advice on available treatment programs and facilities. As Amato elaborates, "The program we're running now is an educational program for children from grammar school on up, and to the parents and community. And, if they have a problem, then they could ask for the help. We can't take them by the hand, they have to volunteer."

The primary rehab resources in our area, Amato says, are St. Mary's Giant Step program for adolescent substance abuse, Hudson County Counsel on alcoholism and drug abuse (for adults) and Veterans Administration detox programs. The three substance abusers who were treated by the V.A., Amato says, are now on an outpatient basis.

"Through their families, they got back to me and tell me that they're doing excellent," he remarks. "They're very pleased with what we've done so far."

AADAA's involvement doesn't end when the patient is placed in treatment, though. "We don't just drop them off and forget about them -- we go back and forth and make sure their needs are met," Amato says.

Embark from Hoboken

Amato, who served the Air Force as a cook and an air rescue specialist in the Korean War, says his involvement and deep interest in AADAA was brought on by watching a number of family members suffer and die from drug addiction. Of other addicts, he says, "You run into some of these people... they don't care no more. They wish they were dead." A dispatcher on medical leave from the Hoboken municipal garage, Amato devotes a good deal of time and energy to the program. "This is a lifetime commitment," he says.

In the near future, Amato hopes to expand his activities into Hoboken classrooms, working with the Board of Education and superintendent Walter Fine. Recently, he has been trying to expand AADAA into companies and unions, such as local 560 of the Teamsters and the longshoremen, so that employees and members can be advised of AADAA's services. And he is working with Joseph Paladino, vice commander, Department of New Jersey, to start up the program in Essex County, in close cooperation with Essex County Sheriff Thomas D'Alessio.

Hoboken, Amato says, is going to be the headquarters of Hudson County AADAA work. He hopes to eventually obtain government grants and open anAMVET office here.

Just hitting the beach

Right now, Amato explains, he and Paladino are running AADAA by the seat of their pants. It works out of private homes, uses Paladino's private bank account for storing funds, often entails a lot of legwork and is funded strictly by donations and the vets' own savings. In general, it's just not as well organized as it could be.

But that's to be expected of any fledgling endeavor. To draw a military analogy, the U.S. forces were almost pushed off the Korean peninsula when the Korean war first began. (Paladino also served in Korea, just after the war, as a combat engineer.) Amato says that when all the AMVET posts in the state start working, say by October, AADAA should really take off.

With such a widespread and far-reaching problem as drug and alcohol addiction, every bit of help is needed. Knowing that, Paladino and Amato and the AMVETS have begun a war on drugs at the homefront.

Persons interested in donating services or money to AADAA, or who need help with an addiction, may write to Ralph Amato at 460 Fifth St., Hoboken, New Jersey, 07030.

AMVETS

VETERANS OF WWII, KOREA, VIETNAM

— PROJECT —

A.A.D.A.A.

(AIDE-AH)

AMVETS AGAINST DRUG/ALCOHOL ABUSE

------- A --------

COMMUNITY PARENT YOUTH SUPPORT GROUP AWARENESS PROGRAM

AMVETS COMPULSIVE DISEASES COMMITTEE

For further information
contact the
AMVETS
Compulsive Disease Committee
c/o AMVETS National Headquarters
4647 Forbes Boulevard
Lanham, Maryland
20706

Why a COMMUNITY/PARENT/YOUTH SUPPORT GROUP?

BECAUSE: AMVETS is concerned about the increasing use and acceptance of alcohol and other drugs by our adolescents. We are concerned that today's youth consider alcohol and drug use a normal part of growing up.

BECAUSE: AMVETS believes our children need and benefit from parents and a community who are committed to establishing positive standards and values.

BECAUSE: AMVETS wants to ensure that children grow safely into adulthood without the burdens caused by addiction to drugs and/or alcohol.

BECAUSE: AMVETS believes that by educating the community and offering support groups for chemically dependent persons and their families, we can offer effective solutions to the critical problem of drug addiction and its impact on the family.

What is a COMMUNITY/PARENT/YOUTH SUPPORT GROUP?

Children need our help, support, and guidance to live their formative years free of drug and alcohol problems. Likewise the community and the family need a support system to effectively deal with the problems of living with active or recovering chemically dependent persons.

The A.A.D.A.A. Support Group program will offer an opportunity for concerned persons and affected families to come together in order to deal with the problems of drug and/or alcohol addiction. In addition, the A.A.D.A.A. will sponsor Support Groups for recovering chemically dependent persons who need the education, comaradarie, and support of others who are recovering.

You Can Make The Difference!

Because the community and parents are the first line of defense for children, your help is needed to assist us in our goals. Our program will help parents develop open communication with their children to help them overcome strong peer pressure - the peer pressure that too often leads to addictive use of drugs and/or alcohol. The A.A.D.A.A. Support Group program will also encourage parents in the community to establish reasonable and effective standards of behavior for their children.

The A.A.D.A.A. Community/Parent and Youth Support Group program is a viable way for parents and the community to pursue the goal of helping youth to live quality lives, free of drug and/or alcohol addiction.

Purpose of the A.A.D.A.A. Support Groups Program

Plans are for the A.A.D.A.A. Support Groups to engage in area-wide programs of education and training in substance abuse. Activities relating to the education, prevention, recognition, assessment, treatment, and recovery from chemical dependency will be coordinated and offered by the A.A.D.A.A. In addition, the Support Group may sponsor or facilitate planning, research, programming, and fund raising events and may distribute information relating to chemical dependency among adolescents.

- PROJECT -

A.A.D.A.A.

(AIDE - AH)

AMVETS AGAINST DRUG/ ALCOHOL ABUSE

COMMUNITY, PARENT AND YOUTH SUPPORT AND AWARENESS PROGRAM

The A.A.D.A.A. Program

The Disease of Alcoholism

Adolescents and Chemical Dependency

Impact On The Family

AMVETS

AMERICAN VETERANS OF WORLD WAR II-KOREA-VIET NAM

TED LESZKIEWICZ
Compulsive Disease Committee

Compulsive Disease Committee
AMVETS National Headquarters
4647 Forbes Boulevard
Lanham, Maryland 20706

Dear Post Members and Friends:

As veteran citizens, we are on the threshold of a golden opportunity to be of service to our community, parents and youth.

As we fought in the trenches in past wars, we are now needed to join America in a new challenge - the war against alcohol and drug abuse. And it is a War - the battlefields are in our homes, schools and workplaces. It threatens our very fiber of American family life.

However, this war will be fought without guns. Instead, we will win the battle against substance abuse by educating our youth and offering support to our families through the AMVETS Against Drug/Alcohol Abuse Program. This AMVETS A.A.D.A.A. program manual will serve as a tool to communicate, inspire and motivate your Post to act as a clearinghouse for information and support for those in need.

For the A.A.D.A.A. program to be a success, it will require the input of us all: each Post, Auxiliary, Junior AMVETS, and Son of AMVETS, individually or as a group. By working together, we can come out as victors against alcohol and drug abuse.

I encourage you to Go For It! Make a difference in the tomorrows of our country!

Sincerely,

Ted Leszkiewicz, PNC
National Chairman
AMVETS Compulsive Diseases Committee

- INTRODUCTION -

A.A.D.A.A.
(AMVETS Against Alcohol/Drug Abuse)
sponsored
Community, Parent and Youth
Support and Awareness Program

Today we face an ever-rising social epidemic due to the abuse of alcohol and other drugs in our homes, schools and community. In an effort to promote community-level education programs and to act as a referral service to the citizenry, the A.A.D.A.A. encourages local AMVETS Posts to establish Community, Parent and Youth Support and Awareness Programs.

This booklet will outline the steps needed to establish the Program and will give information and site resources relating to alcohol and other drug education and treatment. At the end of each chapter, each AMVETS Post is encouraged to add local resource numbers and additional information for the Program.

For more information, contact the
AMVETS Compulsive Disease Committee
AMVETS National Headquarters
4647 Forbes Boulevard
Lanham, Maryland
20706

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Chapter 1
A.A.D.A.A.
Community, Parent & Youth Support and Awareness Program

Goals and Purposes

In response to the national crisis that addiction to alcohol and other drugs pose to our families, AMVETS has established the A.A.D.A.A. Committee (Amvets Against Drug/Alcohol Abuse).

The A.A.D.A.A. (pronounced "aid-dah") Community, Parent and Youth Support and Awareness Program is designed to educate the public about the problems of chemical dependency and to act as a networking resource from which the community can draw upon.

Why a Community, Parent and Youth Support and Awareness Program?

BECAUSE: We feel that it is the right time to begin sponsoring programs that encourage dialogue and study/action in dealing with chemical dependency within our families and the community at large.

BECAUSE: We are concerned about the increasing use and acceptance of alcohol and other drugs in our society, especially by our adolescents. We are concerned that today's youth consider the use of alcohol and other drugs as a normal part of growing up.

BECAUSE: We believe that our children need and benefit from parents and communities that are committed to establishing positive standards and values.

BECAUSE: As a community, we want to ensure that children grow safely into adulthood without the burdens caused by alcohol and other drug related problems.

How will the Community, Parent and Youth Support and Awareness Program function in our community?

- As an educational and informative resource center for families troubled by Chemical Dependency disrupting the family's well-being. Lectures, workshops, support groups and literature will be available to those in need.

- As a community networking tool, by which parents can be given the skills to deal with chemically dependent family members, including adolescents. Business, civic groups, law enforcement and the judicial system will become involved in the effort.

What will the Community, Parent and Youth Support and Awareness Program do?

EDUCATE AND INFORM the community about the problems of chemical dependency.

FACILITATE COMMUNICATIONS among professionals, agencies, and persons working in the field of chemical dependency with those in need.

ENCOURAGE COMMUNITY ORGANIZATIONS AND BUSINESSES to become involved in the problem by conducting presentations to civic and business groups to inform them how chemical dependency affects the community and the work place.

MONITOR LAWS AND REGULATIONS THAT AFFECT THE COMMUNITY in its ability to respond to the care and treatment of the chemically dependent person and the family.

OVERSEE PREVENTION PROGRAMS within the local school districts and encourage the development of programs within the schools that foster self-esteem, coping skills, drug awareness, and recovery support groups.

ENCOURAGE THE DEVELOPMENT OF FACILITIES AND AGENCIES FOR DEALING WITH THE GROWING ISSUES OF ADOLESCENT CHEMICAL DEPENDENCY. Although facilities dedicated to inpatient treatment and recovery of adolescent substance abusers exist in some states, other states have very few facilities dedicated to the unique problems of the chemically addicted adolescent.

The A.A.D.A.A sponsored Community, Parent and Youth Support and Awareness Program will confront the problem of chemical addiction and offer solutions by drawing together community resources needed. By establishing local Programs, the AMVETS become involved in this most pressing issue in a constructive, supportive and educational manner.

Program Officers and Committees

It is suggested that each AMVETS Post establish its own Program Officers: Chairperson, Co-chairperson, Secretary and Treasurer. In addition, a number of Committees should be established to address the objectives of the Program. They include, but are not limited to: Executive Committee; Informational Committee; Student Involvement Committee; Community Network Committee; Legislative and Governmental Committee; Prevention Committee; and Treatment and Resource Committee.

Executive Committee

Membership consists of the Program officers and the chairpersons from each committee. The role of this committee is to hold regular meetings in order to: create and define the duties of other officers or committees as needed; fill posts and vacancies in any office when needed; conduct any business of the organization. When empowered to conduct business on behalf of the group, a simple majority of the Executive Committee consists of a quorum and therefore, can conduct the business of the organization. Minutes of the meetings and treasurer's reports, along with program development reports should be forwarded to the AMVETS Compulsive Diseases Committee. The meetings should be run according to Robert's Rules of Order.

Informational Committee

This committee creates community awareness related to chemical abuse. The committee acts as an organizational agent in setting up presentations, (i.e. town meetings, film festivals, presentations to business and civic groups) for such organizations as the Optimists, Kiwanis, Jaycees, Lions, Junior Leagues, neighborhood or church groups, private and public school parent groups, legal and civic groups, religious groups and other community minded organizations. The Committee acts as a networking source for the Program and keeps aware of sources of information in and outside of the local community. The Committee also will compile informational packets, develop a newsletter for students, educators and community members and can act as a distributor of nation-wide material relating to chemical abuse. The Committee also generates newspaper articles and editorials along with press releases for local radio and television stations of appropriate news. All standing Committees of the Program should make regular reports to the Informational Committee and a newletter should be produced on a regular basis informing the public of the Program's activities.

Community Network Committee

This Committee develops a network of individuals representing the school districts, medical and religious communities, social services, courts/legal system, and the business and industrial community. The committee will coordinate the energies of the professionals in the community for the purpose of making group presentations, assessing community needs, procuring monetary sponsorship of proposed projects, and making recommendations for increased services for substance abusers and their families.

Education and Training Committee

This Committee should work in concert with the school districts and may become particularly active when designing and conducting staff training for the adoption of selected curriculum and materials. The committee will plan conferences, workshops, and network with individuals trained to deal with problems of substance abuse and prevention programs within the schools.

Student Involvement Committee

This Committee is designed to promote student involvement in the Program. Comprised of young persons, these Committee members will solicit support of their peers to advocate the implementation of community or school-based programs such as S.A.D.D., as well as lobbying for drug awareness and after-care groups for recovering youth in and out of the school setting. The Committee will act as a liaison between the youth and such groups as Alateen (support group for young persons affected by someone else's drinking) and Young People's Alcoholic Anonymous (12 step recovery program for the under 20 age-group.)

A sub-Committee for the purpose of **Prevention** should be established by the Student Involvement Committee for the purpose of determining the extent to which the local schools have implmented prevention programs in the K-12 levels. Local Board of Education, the State Office of Substance Abuse Services, the State Department of Education, and the State Public Health Department should be used as resources for educational programs and materials implemented in school settings across the country.

Legislative and Government Committee

Members of this Committee will be responsible for examining current legislative and governmental laws and/or changes in the area of substance abuse and make recommendations to State legislation which could strengthen regulations governing the local area. The Committee should act as an informational resource for the community laws dealing with youth curfews, drug paraphenalia laws, parental responsibility ordinances, drunk driving laws and court procedures following such crimes as disruptive behavior, M.D.O.P (malicious destruction of property), and assaults i.e. crimes where substance abuse is suspected. An informational booklet produced for the good of the community outlining these findings should be made available to the general public.

Treatment Resource Committee

This Committee studies, recommends, and facilitates participation in the creation and continued development of adequate treatment resources in the community. This Committee develops a listing of referral agencies in the community for distribution to concerned persons along with references for after-care programs and youth support groups in the community. Crisis hot lines, run-away shelters, and substance abuse support group telephone numbers should also be included in the release of information to the public.

Committees should be established according to need and priority. It is not necessary to think that all of these Committees need to be in force before a Program can start. Do what you can with the member participation you have.

Committees should be encouraged to work together for the good of the entire Program. It is important that regular modes of communication between Committees be established so that Committees enhance the efforts of one another. The Executive Committee should be aprised of all on-going programs and projects from each Committee. In this way, the A.A.D.A.A. sponsored Community, Parent & Youth Support and Awareness Program will work to benefit the entire community.

WARNING: It is important to remember that the A.A.D.A.A. program will act as simply a resource center for information on chemical dependency. We are not licensed counselors or consultants! Our purpose is to direct people in need to the correct resources in the subject of chemical dependency and recovery.

Getting Started

The first step is to call an informal meeting of AMVETS members who are concerned about the drug and alcohol abuse situation in your community. Program Officers will be elected and Committee heads will be established.

Next, begin to plan an informational meeting for the general public. Members of the community-at-large should be invited. It is important to tap the resources of a cross-section of persons from the community for the informational meeting. You should seek representatives from the media (local newspaper or radio stations); the local school district (administrators, teachers); the judicial system (judges, lawyers); the medical community (doctors, nurses); the social services/counseling community (therapists, counselors); Community organizations (local men's and women's groups); business and industrial representatives; concerned parents and of course, local youth. Send each person or group a letter inviting them to the informational meeting.

Sample Letter

Note: Should be written on official AMVETS stationery. Adjust script for individual or group.

Name Date
Address
City

Dear _____

Your name has been mentioned as a community-minded (group or member) of (town) who is concerned about the growing problem of drug abuse in this area. For this reason, we would like to invite you to the A.A.D.A.A. (AMVETS Against Drug/Alcohol Abuse) sponsored Community, Parent and Youth Support and Awareness Program Informational Meeting
Date Time Location

The purpose of the meeting is to share comments and concerns about the drug and alcohol education/prevention and abuse issues that continue to rob our citizens, especially our youth, of the desire and ability to learn and to function. We hope to form a coalition of adults and youth from the business, educational, medical, religious, and social service community, along with concerned parents to devise a program that would educate and act as a referral resource for those seeking help.

Please select a representative from your group, business or grade level to participate in this organizational meeting or attend the meeting as a concerned individual. Members of the community are invited to get involved as committee members of the A.A.D.A.A. program.

As founders of the Community, Parent and Youth Support and Awareness Program, our AMVETS Post has the greatest concern for our community's welfare, especially our children's, in mind. We invite you to join with us in this most important task!

Enclosed you will find a map and an agenda for the evening. For more information, call_____

Sincerely,

(member of the AMVETS)

_____

Letters should be mailed out 10-14 days before the meeting. Begin following up with phone calls to confirm attendance of "key" people about 5 days before the event.

A.A.D.A.A. Program

ORGANIZATIONAL CHART

A.A.D.A.A. PROGRAM OFFICERS

Chairman ▮ Co-Chairman ▮ Secretary ▮ Treasurer

Executive Committee

A.A.D.A.A Program Officers
Committee Chairpersons

SUB COMMITTEES

Informational Committee

A.A.D.A.A. Officer
Rep. from Community Groups
Rep. from Business Community
Parent
Student
Other

SUB COMMITTEES

Treatment Resource Committee

A.A.D.A.A Officer
Rep. from Medical Community
Rep. from Court System
Rep. from School Counseling
Parent
Student

SUB COMMITTEES

Student Involvement Committee

A.A.D.A.A. Officer
Parent
Rep. from School District
(Counselor)
Several Student Reps.
Other

SUB COMMITTEES

Community Network Committee

A.A.D.A.A Officer
Rep. from Legal System
Rep. from School District
Rep. from Business Community
Rep. from Social Service Organizations
Parent
Student
Other

SUB COMMITTEES

Legislative and Government Committee

A.A.D.A.A. Officer
Rep. from Courts
Rep. from Local Police
Parent
Students

SUB COMMITTEES

Education and Training Committee

A.A.D.A.A. Officer
Rep. from School District
Rep. from Courts
Rep. from Social Service Org.
Teacher
Student
Parent

SUB COMMITTEES

A.A.D.A.A.
Community, Parent and Youth
Support and Awareness Program

Goals for the Participants

1. Become aware of the substance abuse problem in our society and how it affects our families, communities and ourselves.

2. Become informed as to the facts - and be ready to dispel the myths - about alcohol and other drug use so that the subject can be freely discussed within the family unit and in community settings.

3. Recognize that the role of community member and parent requires responsible behavior and clear positions regarding alcohol and other drug use in our own family and within the community.

4. Help youth become capable adults by providing opportunities that promote positive self-image and critical life skills.

5. Encourage and sponsor creative social activities that are drug-free in setting.

6. Encourage parents to host well supervised parties for youth that limit the number of guests to a controlable number and work to develop family standards that prohibit the use of alcohol and other drugs by adolescents in the home, at any time.

7. Provide opportunities that allow families to communicate with legal, medical, and social service agencies, and with other families so that a consistent message concerning youth behavior is established within the community.

8. Support school and law enforcement policies regarding the use of alcohol and other drugs by persons within the community and encourge appropriate and consistent consequences.

9. Request and endorse comprehensive prevention programs for grades K-12 that deal with alcohol and other drugs in the local school system.

Establishing Resources

The following groups and organizations or publishers can provide free or low cost information:

AA
Alcoholics Anonymous World Service, Inc.
468 Park Avenue South
New York, N.Y.
telephone (212) 686-1100
Mailing address:
Box 459 Grand Central Station
New York, N.Y. 10163

For complete information on AA, a fellowship of men and women who share their experience, strength, and hope with each other that they may solve their common problems and help others to recover from alcoholism. Provides information, literature, and support groups. Located in local telephone directory under "Alcoholics Anonymous"

AlAnon Family Groups
P.O. Box 182, Madison Square Station
New York, N.Y. 10159-0182
Fellowship that meets and tries to alleviate the problems of the millions of people who are affected by close contact with a problem drinker. Printed materials and support groups. Look up in local directory under "AlAnon"

Alateen Support Groups
(same address as AlAnon)
For young people affected by someone else's drinking.

American Council on Alcoholism
8501 LaSalle Rd., suite 301
Towson, MD 21204
telephone (301) 296-5555

American Council for Drug Education
204 Monroe Street
Rockville, MD 20850
telephone (301) 294-0600

COAF
Children of Alcoholics Foundation
200 Park Avenue, 31st Floor
New York, N Y. 10166
telephone (212) 351-2680

Families Anonymous
World Services Office
P.O. Box 528
Van Nuys, CA 91408
telephone (818) 989-7841
check local directory under "F"

Hazelden Foundation
Box 11
Center City, MN 55012
telephone 1-800-328-9000

MADD
Mothers Against Drunk Driving
National Headquarters
669 Airport Freeway, suite 310
Hurst, TX 76053-3944
telephone (817) 268-6233

MIBCA
Minnesota Institute on Black Chemical Abuse
2616 Nicollet Avenue South
Minneapolis, MN 55408
telephone (612)871-7878

Narcotics Anonymous
World Service Office, Inc.
P.O.Box 9999
Van Nuys, CA 91409
telephone (818)780-3951
Check local telephone directory under "N"

NAATP
National Association of Addiction Treatment Programs, Inc.
2082 Michelson Drive, suite 304
Irvine, CA 92715
telephone (714) 476-8204

National Coalition for the Prevention of Drug and Alcohol Abuse
Quest International
6655 Sharon Woods, Blvd.
Columbus, OH 43229
telephone (614) 882-6400

Prevention Network
1405 S. Harrison Rd.
E. Lansing, MI 48223
1-800-344-3400
Michigan Coalition to improve and expand community substance abuse prevention efforts. Film "Calling the Shots" by Jean Kilborune, Ed.D. available

LITERATURE FOR THE FAMILY:

Drews, Toby Rice
"Getting Them Sober" Volumes 1, 2, and 3
A guide for those who live with an alcoholic. available in book and audio cassette form.
Bridge Publishing Inc.
2500 Hamilton Blvd.
South Plainfield, NJ 07080

16 mm film "Getting Them Sober"
46 minutes in length
Maryland Publishing
P.O. Box 19910
Baltimore, MD 21211

Hazelden Educational Materials
Pleasant Valley Road
Box 176
Center City, MN 55012-0176
Burgin, James "Guidebook for the Family with Alcohol Problems"
Swift, Harold and Terrence Williams "Recovery For The Whole Family"
Williams, Terence, "Free To Care: Therapy for the whole family of concerned persons"

Johnson Institute
510 First Avenue, North
Minneapolis, MN 55403-1607
1-800-231-5165
"Chemical Dependency and Recovery: A Family Affair" 1987 revised edition.
"Chemical Dependency: Yes, You Can Do Something."
Leite, Evelyn "Detachment" The Art of Letting Go While Living with an Alcoholic."
"The Family Enablers"
"Why Haven't I Been Able To Help?"

Compcare Publications
2415 Annapolis Lane, suite 140
Minneapolis, MN 55441
call 1-800-328-3330 for information
Wegscheider, Don and Sharon "Family Illness: Chemical Dependency"
Nelson, Dennis and Jane Noland "Young Winner's Guide: 12 Step Guide for Teenagers". For the after-treatment teen using the 12 Steps Recovery process.

ESPECIALLY FOR PARENTS:

Michigan State University Project
c/o Michigan Substance Abuse and Traffic Safety Information Center
925 E. Kalamazoo Street
Lansing, MI 48912
"Preventing Teenage Drinking Problems: A Guide For Concerned Parents" a pamphlet guide for parent groups. Outlines parent rules about drinking and tips for concerned parents.

"Tough Love: Alternative to Enabling" by Bill I., member of Families Anonymous Booklet outlining how F.A. helps the family dealing with chemically dependent persons and also those persons exhibiting negative, hostile, or self-destructive behavior that is disrupting family harmony. Also available on cassette tape. Order from Families Anonymous, P.O.Box 528, Van Nuys, CA 91408

Fountain, Williams "Setting Limits: Parents, Kids and Drugs"
Foran, Joan "When I Was Your Age"
"Never Too Early, Never Too Late"
Hancock, David C. D.D. "Points for Parents Perplexed About Drugs"
order from Hazelden Educational Materials, Pleasant Valley Road, Center City, MN 55012-0176 or call 1-800-328-9000

Schaffer, Dick "Choices and Consequences: What To Do When A Teenager Uses Drugs/Alcohol". Order from Johnson Institute, 7151 Metro Blvd. Minneapolis, Minn 55435, 1-800-231-5165.

"Drugs and the Brain: An Introduction to Neurpharmacology" and "What Shall We Teach the Young About Drinking?" Two in a series designed to present technical information about alcohol use and abuse - in readable prose. Order from Rutgers Center of Alcohol Studies, P.O. Box 969, Piscataway, NJ 08855.

FOR TEENS:

AAA
Alcohol, Other Drugs and Driving: A Guide for Teenagers
Contact local or state AAA Agency.

A Message To Teenagers: How To Tell When Drinking is Becoming a Problem" Simple 12-question quiz designed to help teens decide. Order from AA World Service, P.O. Box 459 Grand Central Station, New York, N.Y. 10163

"How Much Do You Know About Drinking And Driving?" a self evaluation for teenagers. Order from Michigan Office of Highway safety Planning, 111 S. Capitol Avenue, Lansing, MI 48913. telephone (517) 373-8011.

NEW MATERIAL

"Drugs of Abuse Digest": Easy to read references in full-color. Information on all drugs plus Look-alike drugs, steroids, Inhalants, Alcohol and Nicotine.
"We Don't Need Drugs To Be O.K.": coloring book for ages 4 - 9.
"Answers" A Drug Prevention Video for the Family, School, and Workplace.
"DECISIONS", a storybook format, drug education series for children ages 9 - 12.
Order from Institute for Substance Abuse Research, 2501 27th Avenue, F-6, Vero Beach, FL 32960 (407) 569-3121.

For additional information, contact your local library. Look under "Alcoholism", "Chemical Dependency", "Substance Abuse" or "Compulsive Diseases". Local mental health or medical health care facilities can also be a source of information.

Chapter 2
The Disease of Alcoholism

- Introduction -

It is suggested that A.A.D.A.A. Community, Parent and Youth Support and Awareness Program establish a resource and support center in the community to supply information to the public about the disease of ALCOHOLISM. It is important to note that when talking about chemical dependency, we must remember that alcohol is a drug (ethylalcohol) - just like cocaine, marijuana, uppers, downers, or any other mood/mind/body altering substance. For this reason, we should avoid talking about alcohol AND drugs, but should term it as ALCOHOL AND OTHER DRUGS.

Since alcohol is the most socially accepted, most widely used, the most available, and is a legal drug-for-purchase in most communities, it is suggested that the Program work to educate the public about chemical dependency where ALCOHOL is the CHOICE OF DRUG.

The A.A.D.A.A. Program center can offer education, comfort, and aid to those who need help due to the disease of alcoholism. "Experts" in the field of alcoholism and treatment procedures should be sought out, including persons from local A.A. (Alcoholics Anonymous) Chapters. The local medical facility can also act as a resource, along with the various clinics and treatment centers in the community. Invite speakers to make presentations to your group on such topics as "Alcoholism: What Is It?" or "How the Use of Alcohol Affects Our Bodies."

An information "library" could be established at each AMVETS Post. The material may be divided into three categories: general information; adolescent chemical abuse; and impact on the family.

Alcohol Use

Not all use of alcohol is addictive in nature to those who use it. Therefore, all drinkers are not alcoholics. Some persons are abstainers, not using alcohol at any time or for any reason, for whatever the reason. Occasional drinkers may have a drink from time to time, perhaps at a religious setting, on New Years', a wedding or other setting. Social drinkers use alcohol more frequently than occasional drinkers, perhaps drinking on the weekends or at social gatherings during the week. Again, the drinking is still "under control" and the social drinker is able to "take it or leave it" at any time, including the ability to stop drinking all together. These type of drinkers are "low risk" users of the drug alcohol.

Those who become "harmfully involved" with alcohol to the point of abuse, as opposed to use, either because of heavy drinking patterns or because of their body's chemical reaction to the drug ethylalcohol, are "high risk" persons. For these individuals, using alcohol becomes socially, physically and spiritually "addictive". Alcohol becomes very important and begins to affect the person's life in varying degrees: business or social occasions are planned at locations where there is opportunity to drink. Often work is missed because of hangovers; the marriage relationship may suffer because of money spent on alcohol; the person's health may begin to suffer because of the effects of alcohol on the body. All major life areas (health, work, family relationships, law, and self) are affected because of the use of alcohol.

This is a crucial time for the heavy social drinker. He or she may be "confronted" by family members, doctor, boss, or friends who are concerned about the user's behavior due to the use of alcohol. Depending on how firm the confrontation, and how willing he or she is to listen to the choices/consequences of continued use, this can be a real turning point in the life of the "at risk" drinker. He or she may quit using alcohol all together - or continue using at this rate and risk the assured probability of becoming addicted.

Heavy social drinking can go on for many years at a steady rate, especially the "quiet, non aggressive type" of the alcoholic homemaker. But one thing we do know about what happens to the human being who continues to drink at this rate: the drinking pattern is most certain to "cross over the X-line" into alcoholism. When this happens, the drinker becomes an ALCOHOLIC, or CHEMICALLY ADDICTED to the drug alcohol. No longer is it "fun" or "social" to drink - it becomes a necessity: physically, emotionally and spiritually. To function in society, the alcoholic needs to drink to feel "normal". At this point, alcohol becomes the most important thing in the alcoholic's life - at the expense of the family, the job, health and own sense of self. (Note: For an important discussion on the differences between adult and adolescent chemical addiction, see Chapter 3: Adolescents and Chemical Dependency)

Progressive Phases of the Disease of Alcoholism

(Source: E.M. Jellink)

Pre-alcoholic Phase: Drinking is socially motivated, but soon drinking becomes the standard means of handling stress due to the psychological relief experienced. An increase in tolerence gradually develops over several months to two or more years of this stage of drinking.
Prodromal Phase: The warning or signaling of the disease: experiencing blackouts, sneaking drinks, gulping drinks, guilt about drinking. Alcohol is no longer a beverage, it is a need. Stage lasts 6 months to five years.
Crucial Phase: The key symptom in this stage is loss of control once drinking commences. Rationalizations for drinking behavior begin and attempts are made to control drinking by periods of abstinence, changing patterns, geographical changes, or job changes.
Chronic Phase: Intoxication almost daily, frequent benders, marked physical changes occur, tolerence for alcohol drops sharply, tremors and indefinable fears develop, excuses no longer work. The disease is apparent to the drinker and to others.

Note: Alcoholics need <u>not</u> go through all four phases before treatment can be started or successful.

Alcoholism: What It Is - and Isn't

It is important to dispel the myths surrounding alcoholism: alcoholics are NOT "weak-willed bums", easily stereotyped. One in ten drinkers is an alcoholic. Fewer than 3% of alcoholics are on Skid Row. The illness can and does strike all ages, ethnic groups, races, income levels, social classes and sexes. Because the drug affects every one person individually, there is no one common denominator or personality unique to sufferers of the disease of alcoholism. Some persons take many years of drinking to "cross over the X-line", while for others, it may be that very first drink in their early years that kicks off the disease of alcoholism. Because research has shown that the disease of alcoholism "runs" in families, persons who have alcoholic relatives are "high risk" for the disease of alcoholism.

Some definitions of ALCOHOLISM include:

> "A primary disease based on the addiction and reaction to the drug alcohol and resulting in the interference with health, social, family, or economic functions."
> (Note: Primary means main problem or disorder, as opposed to the person suffering from other psychological disorders, such as depression or other mental illness.)
>
> "Lack of predictability after the first drink."

"If the use of alcohol/drugs is interfering with any area of a person's life - whether social (legal, school/work, family, or friends) or personal (physical, mental, emotional or spiritual) and he or she cannot stop using without help, then he or she is chemically dependent."

SOURCE: "Choices or Consequences: What To Do When A Teenager Uses Alcohol/Drugs" by Dick Schaffer

"Alcoholism is an illness. Alcoholics cannot control their drinking because they are ill in their bodies and in their minds (or emotions), A.A. believes."

SOURCE: A.A. Booklet: A Brief Guide to Alcoholics Anonymous.

"Allergy of the body, disease of the mind."

"A person is an alcoholic when alcohol is the source of grave and continuing problems in important major life areas, and when the person is unable or unwilling to stop drinking."

"A chronic, progressive and potentially fatal disease characterized by tolerence and physical dependency or pathologic organ changes, or both. All are the direct or indirect consequences of the alcohol ingested."

National Institute on Alcohol Abuse and Alcoholism, 1981 Report to the U.S. Congress on Alcohol and Health.

For persons surrounding the alcoholic, (family, friends, co-workers) it may be difficult to understand the "disease" concept of alcoholism. Perhaps this is because the use of drugs affects behavior: judgement, ability to be honest with others and self, ability to show and accept love, and the ability to act responsibly, for example. But by looking at the above definitions, we see that behavior problems in all life areas due to the ingestion of alcohol IS the disease itself!

No one drinks alcohol with the intention of becoming an alcoholic. Having the disease of alcoholism is not the individual's fault - but recovery IS his or her responsibility. (Note: See Chapter 4 for a discussion on "Impact On the Family")

Treatment for the Disease of Alcoholism

There is good news about the disease of alcoholism! It is TREATABLE!

Persons who suffer from the disease of alcoholism can live long, productive, sober and serene lives - but the recovery process takes a two fold requirement: abstinence from ALL alcohol AND continued modes of therapy/support groups to keep the alcoholic "symptom free" (i.e. AA, NA or other support groups)

Recovery from any chronic illness requires treatment that will deal with the physical aspect of the disease. "Arresting" the progress of the disease begins first with TOTAL ABSTINENCE from the drug, ethylalcohol, coupled with treatment in an in-patient or out-patient setting, depending upon the individual.

The Community, Parent and Youth Support and Awareness Program should act as a resource center to direct families and those who desire help to area substance abuse treatment centers. It can compile a resource list by contacting facilities that SPECIALIZE in treatment for chemical dependency as a PRIMARY DISORDER. Inquire about the procedures for arranging for an assessment and steps to discover the best type of treatment plan for the individual and the family. Investigate hospitalization insurance requirements or limitations, or direct inquiries to a contact person at the facility.

It is important to note that because alcoholism is a family disease, the "alcoholic" is not the only one requiring treatment. The "focus on the alcoholism" within the family needs to be addressed, also. Any good treatment facility will see the importance of treating the entire family, not just the alcoholic. The family treatment plan would include abstinence treatment, education about the disease and how it has affected the family, and family therapy and support group help.

Learning how to live with a "recovering" alcoholic requires patience, education, and above all, the attitude that the first task for family members is to "Take care of yourself" - allow the alcoholic to be responsible for his/her own recovery. We can not do it for him!! Even if the alcoholic refuses treatment, it is important for the family members to begin their own form of treatment by attending AlAnon, Alateen, Families Anonymous or any of the other support groups for families and friends affected by someone else's drinking. (See Chapter 4, Impact on the Family)

Remember: The A.A.D.A.A. is NOT a treatment center, counseling service, or medical facility dealing with substance abuse. It is meant to act as an educational and referral resource for the disease of Chemical Dependency and its impact on the family.

- *Vocabulary* -

Alcoholism: A primary disease based on the addiction and reaction to the drug alcohol, and resulting in the interference with health, social, family, self, or economic functions.

Addiction to mood altering drugs: dependency on a mood altering drug which is abusive of the person and his relationships; continued use in spite of known consequences.

Blackout: a temporary loss of memory, but not of consciousness, caused by alcohol's affect on the brain. Not "passing out". A symptom of alcoholism, amnesia-like in that there is difficulty recalling incidences.

Drug: any chemical substance that produces a physical, mental, emotional or behavioral change in the user.

Drug Abuse - use of a drug in a way that interferes with or controls a person's every day life.

Drug Misuse: use of a drug in a way that increases the possibility of harming the user or others, example: drinking and driving.

Drug Use - use of a drug in the way it was intended to be use, at appropriate times and places, and in appropriate amounts, with little chance of causing harm to the user or others.

Physical Addiction, dependency - an altered physiological state brought about by repeated administration of a drug which demands the continued administration of the drug in order to prevent withdrawal symptoms. Typical withdrawal symptoms are: insomnia, tremors, loss of appetite, seisure, delirium, and hallucinations.

Potentiation - the effect when two or more drugs are mixed resulting in stronger reaction than the sum of their individual reactions, i.e. the whole is greater than the total: 1 + 1 = 3 (alcohol + tranquilizers)

Psychological Addiction (dependency or habituation) - a compulsion that requires periodic or continuous administration of a drug to produce pleasure or to avoid discomfort - usually used to describe drug addiction where there is no evidence of physical withdrawal syndrome.

Set - the mental state of a person, the expectations about what the experience will be like, and personality and mood as well, that affects a person's experience.

Setting - the physical and social environment in which a drug is taken (i.e the local bar)

Tolerance - a resistance to the effect of some drugs which the body builds up over a period of time. When tolerence is increased, a person will have to take more of a drug to get the original desired effects.

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A Self Test: Am I Chemically Dependent?

As a participant in the A.A.D.A.A., it is necessary to be honest with yourself in areas concerning your own use and attitude towards alcohol and other drugs. If you answer the following questions with complete honesty, you may be able to assess whether you are developing a dependency problem:

Has drinking ever been involved during an unhappy episode in the home?

Have I ever been arrested, had an accident, or has my physician treated me for an illness or incident related to my use of alcohol or other drugs?

Have I ever been in trouble at work or school or been absent because of the effects of using alcohol?

Do I ever drink alone?

Have I ever gotten drunk or stoned when I didn't really intend to?

Have I ever wanted a drink or to use drugs after sleeping?

Have I ever felt embarrassed, guilty or remorseful after using drugs or alcohol?

Have I ever had a complete loss of memory (didn't know how I got home) after using alcohol or other drugs?

Have I ever promised myself that I would cut down on my drinking, only to fail to do so? Have I broken promises to others that I would?

Have I done things while drinking or using drugs that I normally would not have done because it was against by personal beliefs or code of moral conduct? (i.e been physically abusive or sexually promiscuous)

Have others told me that I'm a "different person" when I drink or use other drugs?

Do I defend or make up excuses for my drinking or drug use? Do I blame or use others as an excuse to drink or to use drugs ("You drive me to drink" or "It's no big thing, everybody does it")

Have others told me that they were concerned about my drinking or drug use?

Have I argued with those I love about my use of alcohol or drugs?

Have I not done things in my life that I wanted to do because I have lost ambition or initiative?

Two or more "Yes" answers may indicate the possiblity of a pattern of alcohol/drug use which is neither safe nor healthy. See section of this chapter on Treatment.

Chapter 3: Adolescents and Chemical Dependency

Parenting Adolescents

The A.A.D.A.A. sponsored Community, Parent, and Youth Support and Awareness Program can help parents deal with the issues of drug use and abuse by establishing the following:

- Prevention workshops designed to educate parents on drug abuse.
- Informational updates through the use of newsletters, bulletins, etc.
- Resources for parents needing substance abuse treatment contacts.
- Support groups for the parent who has a recovering or active chemically dependent adolescent in the home.

In addition, a library can be established that will include material on parenting skills and community resources for the parent.

It is important the parents are educated about the various legal ordinances and laws in the community that deal with adolescent behavior. A guest speaker or a speaker's panel from the local police department, court system, and social services agency can be invited to speak to the group on the topic of "Adolescents: Legal Rights and Responsibilities." Ordinances that deal with issues such as parental responsibilities, curfews, and open house/parties should be explained. Local county laws dealing with Youth Offenders and the Juvenile Court System procedures should also be explained, so that parents and teens alike, know their legal rights. Treatment centers that deal with adolescent chemical dependency as a primary disease should be contacted to establish a list of treatment professionals who deal with this age group.

Using a professional counselor, the following topics may be used for discussion at parent meetings:

WHEN TEENS GO OUT FOR THE EVENING:

- Know where they are and let them know where you will be.
- Be aware of transportation arrangements. Assure them they can phone you to be picked up whenever needed.
- Establish the time they are expected to return home and expect to be notified if there is a delay.
- Be awake or awakened when they come in at night.
- If in doubt, call the parent in charge of an activity to verify occasion, location, duration, adult supervision, and the home's policy on alcohol and other drugs. (Don't be disuaded by the teen saying "But you'll embarass me!")
- If the activity seems inappropriate, express your concern. Don't be afraid of saying "No" - offer alternatives to the activity.

SUGGESTED HOURS FOR ADOLESCENTS

- Encourage teens to stay home on school nights except for school activities, community events, or adult-sanctioned extra curricular activities.
- Establish curfews. Be consistent when setting curfews!

WHEN HOSTING A PARTY

- Agree on ground rules during the planning stage of the party - time span, number of guests, where the party will be located, no alcohol and other drugs, methods of handling problems, necessity of parental supervision.
- Keep parties small - 20 to 25 youngsters per adult couple (Ask neighbors or other parents for help). Party should be "by invitation only."
- Agree that guests who leave may not return. Have supervision in the parking lot.
- Adults should be visible, but keep a low profile during the course of the party.
- Provide adequate food and entertainment. Make it clear that no alcohol will be served to minors.
- Determine how to deal with guest possessing alcohol and other drugs or under the influence of either. Do not allow anyone under the influence to drive or to go home alone. Call parents, if necessary to come and pick up their kids.

PARENTING SKILLS

- Be informed about alcohol and other drugs and their effects. Be a credible source of information for your child. Be "street smart" and "educated" at the same time. Learn all you can about adolescent chemical dependency by attending classes and educational or parenting events available in the community.
- Make sure your position on use of alcohol and other drugs is known in the household so that your child knows where you stand on the issues. Make sure that consequences for use are understood if rules are broken. Don't be hypocritical about your own drug use ("Do as I say, not as I do").
- Parents or adults in charge of the household, should be a united "front" in dealing with issues involving alcohol and other drug use. Work for consistent and mutual support in communications with your child. Know and explain the differences between adult use and adolescent use of drugs (adolescents have higher psychological and physical health risks, greater likelihood of addiction)
- Be aware of the great peer pressures that your child faces. Peer acceptance is very important to the adolescent, in fact it may be stronger than good judgment and family orientated values, or even the fear of parental rules. Show your child that you understand these pressures. Practice ways to say "No" to drugs and assure them that you are there for support. Don't be shocked by stories that the adolescent tells you; instead use experiences as a way to learn how to get out of or solve uncomfortable situations. Build self esteem in as many ways as possible. A child with a good sense of "self" is more successful in dealing with peer pressure. Recognize that the teen years are those that deal with emotional issues anyway, and that they are difficult enough without masking them with alcohol and other drugs.
- Know your child's "World" - the kids he socializes with, the parents, the teachers, and local law officers. Communicate on a regular basis with teachers and parents of your child's friends. Support each other!
- Don't be afraid to seek out professional help. If you suspect a problem, make an appointment with a counselor to talk it over. He or she will help you get a perspective of the situation and help you deal with the future. Don't play the "ostrich" about the problem and ignore it!

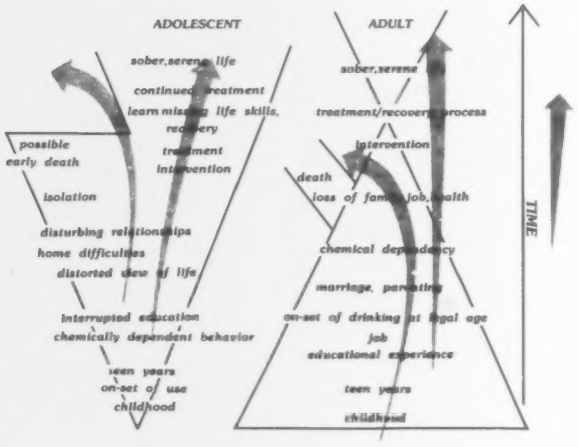
The Chemically Addicted Adolescent

Perhaps the first question that a parent asks when confronted with the self-destructive behavior of their own chemically addicted adolescent is "Why?" Some thoughts:

- We live in a society that is fast-moving and impatient. Clearly many of us have a "wait problem" - immediate solutions are sought to deal with daily living skills that involve pain (physical and emotional), relationships, or coping skills. Drugs are used to provide relief and escape for all kinds of people: the hard driven executive, the fun-loving teen, the housewife, the athlete, the handicapped and the elderly.
- There is a glamorization and casual attitude in our society about alcohol and other drug use. Advertisements encourage us to "join the in-crowd" by using their products (i.e. alcohol); that pain is unacceptable and quick relief is "just a pill away"; and the casual attitude that "everybody's doing it" adds to the message.
- Adolescents are more likely to take risks, perhaps because they think that they are invincable ("It can't happen to me!").
- Accessibility to alcohol and other drugs is apparent. Most teens know where to go and who to ask in order to obtain alcohol and other drugs.

Because these growing years are full of emotional turmoil and extreme actions/reactions on how teens see the world, the use of alcohol and other drugs during this important period has long reaching-effects. It is known that use of alcohol and other drugs during the teen years "stunts" the maturity of the user, distorting the necessary and important maturity process that is a vital part of the development of self-esteem, setting goals and growing, emotionally, physically, and spiritually.

It is estimated that 3 out of every 10 adolescents will have "problems" with alcohol or other drugs in the course of their teen years. This early on-set of use makes for a more rapid deterioration. There are some important differences in adolescents using alcohol and other drugs than for adults:
1. It is illegal for adolescents to drink alcoholic beverages. Adults have the right to use this very attainable and legal commodity.
2. Today's drugs are more potent than those of years before, many being manufactured in labs and "cut" or diluted with other unsafe substances.
3. Physical effects on the body chemistry of the adolescent who uses drugs is more profound. (It is estimated that what takes the adult alcoholic to do to the body in damages over a 10 year drinking history is accomplished in about 15 months for the adolescent!) In addition, the adolescent lacks a "history" of life experiences that result in "survival skills" in the real world.



IF YOU SUSPECT THAT DRUGS ARE BEING USED BY YOUR ADOLESCENT

- Look for the warning signs: excessiveness in many areas, needing immediate gratification, being unable to express feelings, low self esteem and attraction to pain or risk, to name a few. Know that sometimes chemical abuse can take years before it becomes apparant that the individual is addicted. For others, the addiction can be obvious in a very short time.
- Avoid accusations and hysterical talk. Denial will be used by the teen as a first line defense ("It wasn't mine", "I never saw that stuff before" "I'm just tired, that's all") Talk calmly about suspicions you may have (physical or psychological symptoms or drug apparatus in his/her possessions, coupled with behaviors pointing towards drug use).
- Avoid name calling and threats. Concentrate on the behavior instead of the person. (A bad action does not make a person bad, instead, help and guidance is needed, not condemnation!)
- Restate your position on drug use and make clear the consequences you are prepared to enact. Make sure you are prepared to follow through with the consequences you set. No "You're grounded for a year!" or "You'll never drive again!" threats that you won't be able to carry out - or will want to! Be specific: "I know you have been drinking. I have told you that if you drank, the car will not be available to you for a week. At the end of the week, we will talk." Empty threats become meaningless to the child and can become a part of the "games" parent and child can play in this situation.
- Get professional help immediately. This issue is too emotional for parents to handle alone. A counselor will help sort-out the facts and help parents to convey love, along with concern and disapproval of the act, to the adolescent.

WHAT TO DO IF THE ADOLESCENT IS USING DRUGS.

- Get help immediately! It is only a matter of time before the child (and he/she IS a CHILD) begins to be confronted in all major areas in his/her life: school, law, health, family, and self. Check out area treatment centers and consult with staff there about placing your child in a program.
- Begin attending a parent support group for parents who have children using drugs (AlAnon, Families Anonymous, Tough Love). You need all the support you can get! There are other parents out there going through the same thing. You need not have to handle this alone!

*How Can We Tell? What Can We Do?**

The behaviors listed below are typical of those exhibited by troubled adolescents. If the adolescent consistently or suddenly exhibits these signs, it may be an indication that professional help is needed for difficulties that MAY NOT be drug related.

These behaviors, however, coupled with evidence of alcohol and other drug use, (i.e. paraphernalia, drunk driving violation, etc) indicate a chemical dependency problem. An assessment by a professional who deals with adolescent chemical dependency AS THE PRIMARY DISORDER is in order.
Look for combinations of the following:

EXPERIMENTAL STAGE:
Odor of alcohol on breath or unusually heavy use of breath fresheners or gum ■ heavy use of perfume or after-shave to cover odors ■ interest or obsession in partying at places where there is NO adult supervision ■ decrease in family, church, or school activities ■ morning-after fatigue, grouchiness ■ unusual thirst ■ middle of the night vomiting.

NOTE: Marijuana experimentation is extremely difficult to detect - visible effects wear off after an hour or two and there is no lasting odor. Take notice of eyes - lack of altertness, dilation of pupils, avoidance of contact, slurred speech, clumsiness, lack of concentration, dry mouth.

SIGNS OF REGULAR USE AND/OR BEGINNING DRUG DEPENDENCY
General loss of appetite, yet craving for sweets (hence, the term "munchies" ■ possession of drug paraphernalia - rolling papers, pipes, cellophane "baggies" or marijuana, roach clips, bong ■ avoidance of eye contact ■ napping at odd times ■ red eyes, dialation of pupils ■ masking of odor with perfumes, incense or after-shave ■ secretiveness, vagueness about activities ■ increase in amount of time spent away from the home or in isolation ■ unwillingness to share information with parents about "friends", (i.e. residence, phone numbers, parents' names, etc.)

SIGNS OF LONGER USE AND OR GROWING DEPENDENCY
Drop in overall school performance or general lack of motivation NOTE: It is possible for an all-A student to maintain grades and still be heavily active in alcohol and other drugs ■ caring less and less about others ■ estrangement from family and old friends ■ inexplicable mood changes, irritable, hostility ■ excessive, compulsive verbal and/or physical mistreatment of younger siblings or animals ■ distorted time sense (slow to react) ■ chronic cough, chest pains, allergy symptoms ■ fatigue and loss of vitality ■ depression, feelings of loneliness and paranoia ■ avoidance of contact, seeks solitude ■ lying about use of alcohol and other drugs ■ attendance problems in school or work ■ legal problems involving behavior tied to use.

REMEMBER:
■ It is possible for a teen to be suffering from chemical dependency without a parent ever witnessing the child as "stoned" or drunk ■ Truency + alcohol/drug use outside or inside of school is a sure sign of chemical dependency and help is needed at once ■ Interrelation of drugs and teens with 1) sexual activity and 2) polyuse (more than one type) of other drugs is well documented and should be of concern.

Intervention at the "Experimental Stage" is an important parent function. Intervention at the "Dependency" stage must involve mental health professionals and often, in-patient treatment.

*Adapted from a pamphlet by Helene Mills, Human Relations Educator, Principal, Derby Middle School; Sis Wenger, Alcohol Education Consultant; James M. Shaefer, PhD, Director, Office of Alcohol and Other Drug Abuse Programming, University of Minnesota.

What Can We Do?

1. Become informed. Know the effects of the substances your child is using and become "street wise" about the usage.
2. Attempt to stop your child's use of drugs. The earlier the use is interrupted, the better the chances for recovery.
3. If professional help is needed, seek an assessment from a professional who specializes in teenage chemical dependency. the professional will guide you through the treatment steps.

- Begin to keep a journal or list of facts of the incidents concerning your child's use, including mood and behavior changes. Each member of the family should compile his/her own list of incidents and feelings.

- Join a support group such as AlAnon, no matter what addictive substance your child is using. (Most teens are poly-addicted) You need all the support you can get at this time of great need.

Select a treatment center or professsional that offers the following:

- A program that includes therapy for the entire family.
- A positive supportive atmosphere which emphasizes affection and respect for the child, but is confrontational enough so that the child does not "con" his/her way through therapy.
- A treatment program that is individualized in length. Some children will need extra time in the recovery process.
- A treatment program where the first step is to get the child off drugs. Only then can the child fully reason and respond to treatment.
- A treatment program that has follow-up (after-care) provisions. Treatment is only the first step. On-going recovery has its best chance with support group.
- For out-patient treatment program, a "contract" that covers such issues as what persons, places and things that the child can associate with during the treatment process. Includes provisions for consequences.

If the first treatment you select does not work, try another. Relapse (return to use) is fairly common in teenage alcoholics and drug dependents. Should your child relapse, work immediately to get him/her back into appropriate treatment. Let your child know that your love is so strong that you will continue to seek help, but remind him/her that it is his/her responsibility for recovery.

Recognizing What Is Going On

The chemically dependent adolescent affects many people by his/her behavior: parents, grandparents, brothers and sisters, teachers, religious leaders, business and community and friends. The sickness can cause a financial and emotional drain on the family. There is also great fear that because of the nature of chemical dependency, the addicted teen will hurt others or themselves. Drunken rampages, scrapes with the law, disruptive behavior in school and within the community are a few of the behaviors that the chemically addicted teen exhibits. Others include denial of the problem, self delusion, excessive need for privacy, shyness, defiance, lack of self-discipline, erratic eating, plummeting grades, boredom and lethargy, and/or a Jekyll/Hyde personality. Because alcohol and many other drugs are depressants, there is the danger of suicide attempts, or the actual completion of the act. Intervention and treatment are a necessity for the teen - the earlier the better!

The best skill that a chemically dependent adolescent has is THE ABILITY TO CONVINCE OTHERS THAT HE/SHE DOES NOT HAVE A PROBLEM. It is important that the "delusional system" of the addicted adolescent be recognized. The "system" includes:

1. Efforts to manipulate and/or justify behavior ("No wonder I do drugs!" "I can't stand you yelling at me all the time!").
2. Efforts to rationalize use ("The world sucks!" "I can't stand school").
3. Efforts to diminish or minimize the feelings or concerns of others ("Oh mom, everybody's doing it". "Drinking after the game is no big thing!").
4. Denial of incidents that have happened as a result of use (blackouts, overdoses, friends committing suicide, drunk driving accidents).
5. Support from well-meaning "enablers" who, by their actions, in reality HELP the addicted teen continue destructive patterns. "Enablers" never allow the addicted teen to face the responsibility of the consequences for continued use of alcohol and other drugs. "Enablers" pay fines, call in "sick" for the addicted, deny the problem and often blame the school, the police, or even the other spouse for the problem - all done in the name of well-intentioned "love".

After-care for the Adolescent

After in-patient treatment at a facility, which may last from 2 weeks to 45 days and possibly include a stay at a half-way house, the recovering adolescent may need a series of support steps before he/she is ready to come home and join his/her "world" (school, home, peers). The treatment center will make recommendations for treatment options after in-patient care for all members of the family.

Family members should realize that the adolescent returning from in-patient treatment is the SAME person who went in for treatment, only now is "clean" from the drug. Don't expect the patient to be "cured" - the DESIRE to use drugs may be just as strong as before. Because the problem is a combination of physical allergy and psychological compulsion/addiction, it is important that TOTAL ABSTINENCE and CONTINUED OUT-PATIENT TREATMENT be the two main components of the recovery process. This recovery process takes time and patience.

The A.A.D.A.A. program can help out at this crucial stage by sponsoring drug-free activities for recovering adolescents. Adults who can "role model" a drug-free lifestyle are important in this critical stage. Recovering adults can also serve as "sponsors" for adolescents who need additional role models through the local A.A. or N.A. programs. The local AMVETS Post may also provide room for support meetings for recovering adolescents in the AA or NA programs.

It is important that parents work to accept that the JOB OF RECOVERY is the adolescent's and NOT that of the parents! Adolescents coming out of treatment are well aware of the necessity of TOTAL ABSTINENCE and the necessity for FOLLOW-UP CARE, either through AA or NA, with a private therapist or at group therapy sessions - or a combination of all!

Parents can NOT control this process and make arrangements or take responsibility for this recovery process. It is a task that MUST be accomplished by the adolescent.

The family needs to develop such skills as "detachment" and "tough love" in order for the family unit to stay in tact, whether the adolescent chooses to recover - or not. (See Chapter 4: "Impact on the Family")

Chapter 4
Impact On The Family

The Family Assesses the Problem

Once the decision is made to reach out for help, we find that there are resources in the community that can offer services and solace for the families of addicted persons. Help is there for all of the family members - but we must first have the courage to reach out and ask for assistance. Remember: We don't have to live in any way that is unacceptable or dangerous to ourselves. We all deserve better than that! Whether or not the chemically dependent person accepts help, we must take care of ourselves!

Often there is denial or minimization of the problem. Family members dismiss behaviors or events, refusing to discuss them in hopes that they will simply "go away". In addition, the chemically addicted person becomes very skilled in denial of the problem and in shifting the issue to other family matters. We find ourselves needing a "sanity check" to see if there is, indeed, a problem.

To determine whether or not an alcohol or other drug problem is developing in the family we can ask:

Does someone in our family undergo personality changes when using alcohol or other drugs?

Does the household get anxious before a holiday or special occasion because there is worry that he or she may disrupt the day by getting drunk/stoned?

Do members of the family lie to employers, relatives or friends in order to hide his/her alcohol/drug use?

Have family members hidden keys, thrown out alcohol or drugs or used other methods in an attempt to control his/her use?

Have family members been embarrassed or apologized for his/her actions?

Has he or she ever failed to remember what occurred during a period of alcohol and/or drug use?

Does he or she justify using alcohol and/or drugs by blaming a stressful lifestyle or other members of the family?

Do members of the family fear or avoid this person when he or she has been using alcohol/drugs?

Has this person promised to cut down or quit, only to start up again using alcohol/drugs?

Do family members spend much time, energy and/or money on this person because of his/her alcohol/drug use?

Are other family members exhibiting unexplained physical ailments, or psychological problems?

The Family Copes

It is difficult for many of us to admit that something is "wrong" within our own family. We may not be quite sure "what" it is, but it's there, nevertheless. Facing chemical dependency in our family is often shielded by the family making chemical dependency a "no-talk" subject. This is a result of the myths and misperceptions of alcoholism, and attempts to judge alcoholism as a "moral issue", rather than a biochemcial and psychological disease. The family goes through a series of stages and behaviors in its attempt to deal with the problem. They include:

DENIAL OF THE PROBLEM: Incidents happen but the alcoholic explains them away. The spouse tries to avoid the topic and tends to believe that drinking is not the problem. The alcoholic manipulates and justifies the problem and meets any attempts of control with resentment and rebellion.

ATTEMPTS TO STOP THE DRINKING: As the drinking episodes increase and last longer, the spouse tries to hide the problem from friends and employer. Attempts are made to "handle the problem". The alcoholic feels that no one understands. The non-alcoholic spouse feels out of control and like a failure because nothing seems to work to control the alcoholic's drinking. The alternate times of drinking and non-drinking impose conflicting requirements on the children. The house is very unpredictable. The non-alcoholic tries to either protect the children or depend on them for everything and confide in them, or a combination of both. The alcoholic's behavior begins to embarass the children.

DISORGANIZATION: Time of family chaos in which the non-alcoholic spouse and the children develop strategies, or roles, in which they can avoid or try to control the alcoholic's behavior. Children can get no help or understanding from either parent about changing their family situation. Frustration and confusion rule the behaviors of the spouse and the children.

COPING/REORGANIZATION OF THE POWER WITHIN THE FAMILY: Crises such as financial problems or physical abuse begin to affect the family's well-being. The family attempts to cope by reorganizing: the parents may separate, or the non-alcoholic reorganizes the life of everyone, leaving out the alcoholic. The reorganization may involve seeking professional help for the family, getting a job, and/or attending AA/Al-Anon meeting.

EFFORTS TO ESCAPE THE PROBLEM: The alcoholic may desert the family or a separation may occur. Children may be divided between parents or sent to relatives to live.

REORGANIZATION OF PART OF THE FAMILY: Separated from the alcoholic, the family attempts to establish a new life. However, the alcoholic may still affect the family by calling, attempts of violence, or by working on sympathy to gain a reconciliation.

RECOVERY AND REORGANIZATION OF THE FAMILY: If the alcoholic achieves sobriety, the family may attempt to reorganize as a "recovering" family. This involves dealing with the problems of the past and accepting changes in family roles which kept the family sick.

Codependency

Perhaps no other affliction in our society affects the family as much as chemical dependency. The family attempts to respond to a "non-sensical" situation - and becomes sick in its attempt to do so.

When one or both parents are active users of alcohol and other drugs, messages are given to the children within the family on how to perceive society: how stress, anger, and fear are to be handled, and how to interact with the outside world. The addicted parent, (in reality an immature, impulsive and compulsive, rigid, incapable of showing love or attention personality) is ineffective in parenting skills.

When the child is chemically dependent, family members can become as sick as the chemically dependent person, often relinquishing power or even control of the household to the active adolescent. The entire family becomes "obsessed" with irrational behavior of the user, numbed by helplessness, anger, resentment and fear. Such roles are "codependent" in that the behavior of the family and its individual members become "focused" on the chemically dependent person and "dependent" on his/her behavior.

We find that while the family member is addicted to alcohol and other drugs - the family becomes "addicted" to the behavior and life style of the chemically dependent person. The "excited misery" of it all becomes the norm for the family.

Children growing up in this environment often seek out spouses or adult relationships that carry on the "learned" role of their youth. Many women brought up in these homes may be attracted to and marry alcoholics.

Co-dependents see the needs of other people as more important than their own. When that "other" person is an addict, the co-dependent's life becomes upsetting and irratic. The entire family becomes much like a yo-yo: "up" when the user is "good" or acting normal, "down" when the user is "bad" or disruptive. Family members slide into survival roles in an attempt to deal with these ups and downs. They include:

THE CHIEF ENABLER: This person - often the spouse or the parent, is the one who the alcoholic depends on most. As the alcoholic loses contol, the chief enabler finds it necessary to put aside personal feelings and becomes more and more responsible for the alcoholic. The enabler becomes obsessed with controling the situation and in pleasing everyone, in the meantime, loses his/her own personal identity.

THE FAMILY HERO: Especially sensitive to the familiy's problems and, feeling responsible for the craziness in the home, the hero child tries to improve the situation. He/she knocks himself out by trying to be the great success outside of the home - at school, work - in order to gain self worth or positive recognition. He or she is perceived as a "winner" outside of the home, but feels like a failure, because the alcoholic parent is not capable of giving true love or attention to the hero child. Usually the oldest child, attached to the parents through emotions, lives their adult life with same value system as the parents, becomes "non-feeling", tends to marry alcoholics and has children who also tend to become chemically dependent.

THE SCAPEGOAT: Usually the second oldest in the family. Tends to not work as hard as the hero to achieve, choosing instead to pull away in a destructive manner, bringing attention to the family by getting in trouble, getting hurt, or just withdrawing. Receives only negative attention and gets identification from that role. Feels rejected, does not express feelings, high risk for suicide. Tight wound, emotionally.

THE LOST CHILD: Learns and practices the loner role. Avoidance is a skill this person masters, thus, the family usually ignores the child, who is then left to solve problems alone. This strategy and interaction results in a lonely and suffering child who tends to be shy and does not relate well to others. Treasures pets and material possessions, stays away from stress situations, becomes a loner and is usually sickly.

THE FAMILY CLOWN: Provides relief and humor for the family by being charming and funny during stressful times. Funny behavior relieves pain of other family members, but it does not help the clown deal with personal pain and lonliness. Functions under feelings of fear. Displays hyperactive behavior but is not truly hyper. Tends to exhibit slow learner behavior and poor achievement, but may be very intelligent. Tends to be dependent on other people to be his/her audience.

Codependent family members may use any or a combination of roles in order to survive in the family. Counseling and awareness are necessary steps for codependents to take in order to understand the problem and achieve inner peace. The ACOA (Adult Children of Alcoholic) groups or Al-Anon will be of great help.

Recovery for the Family Members

Each member of the family must seek help and develop his/her own recovery process, WHETHER THE DEPENDENT PERSON SEEKS HELP OR NOT. Family members must first shift focus from the addicted to themselves. Attending meetings at Al-Anon, Families Anonymous, Alateen, Tough Love or other "concerned persons" support groups can help in the recovery.

In addition, family treatment can be beneficial, especially if every family member is involved. Often, individual counseling for family members can be an additional support.

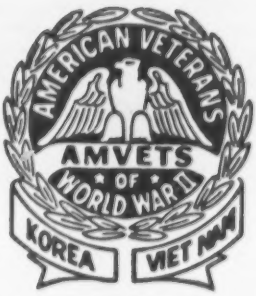
The Intervention

With the help of a professional therapist, an INTERVENTION can be planned. An intervention is an act, (meeting or meetings) where caring people, most often family and significant friends (boss, co-worker, peers) meet to plan how they will "confront" the chemically dependent person with the reality of his/her drug use in a factual, concerned, non-judgmental manner.

An intervention can be a way of interrupting chemical dependency before the person "hits bottom". The therapist will help the family in planning an intervention or any other method of dealing with drug use in the family.

Remember: The A.A.D.A.A. Program is NOT a therapy or intervention service for families in need, but is there to provide education and/or referrals to professionals who treat chemically addicted persons and their families.

HELP US!



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TESTIMONY OF RICHARD DEAN ANDERSON ON DRUG WAR BONDS
WAYS AND MEANS COMMITTEE
U.S. HOUSE OF REPRESENTATIVES
April 25, 1990

Mr. Chairman, members of the Committee, I thank you for this opportunity to provide testimony on the subject of Drug War Bonds. On the television show "MacGyver," I play the role of a young man who uses ingenuity and his environment to come to the aid of friends in need. In many ways, "MacGyver" is a single individual who stands as a metaphor for community involvement. He is not a superhero. He needs no weapons to be part of the solution. He's armed with man's most potent tool and his most potent weapon: the human mind.

Think of what an army of MacGyvers could do for our nation's problems! I'm not naive enough to think that millions of Americans are going to embark on a fulltime job, running from problem to problem like MacGyver. (I wouldn't wish that much weekly excitment on anyone!) But people are learning that community involvement is similar to exercise: a little bit goes a long way.

The next step is to think: where can that involvement, that will and ingenuity, be best put to use? I can think of no worthier goal than fighting drug abuse. All of you on this committee are familiar with the statistics, I needn't repeat them. The problem is present at all levels of society, but seems especially severe wherever people have trouble coping...with success, with failure, or with life in general.

Under the Drug War Bond Act, bonds would be issued and the proceeds used to fight drug abuse. The goal of this effort is to attack the drug problem by uniting people, communities and the nation through a common "bond" - the buying, selling and promoting of Drug War Savings Bonds. The War on Drugs will never be won without that involvement.

I encourage you all to look closely at this program. I'm willing to promote these bonds, just as some of my predecessors did with War Bonds during World War II. These bonds are only a part of the solution, of course. They are not a panacea, but they are a step in the direction of building that army of MacGyvers, and I believe that's a step in the right direction.

Mr. Chairman, I thank you for the opportunity to testify on the important issue of drug abuse and how Drug War Savings Bonds can help be a part of the solution.

STATEMENT OF ARTHUR ASHE BEFORE THE WAYS AND MEANS COMMITTEE
U.S. HOUSE OF REPRESENTATIVES
April 25, 1990

Mr. Chairman and members of the Committee, I appreciate the opportunity to testify before the Ways and Means Committee on the subject of Drug War Savings Bonds. My varied background enables me to view our nation's drug abuse problem from a unique perspective. Most of you know me as an a former tennis champion. I have seen other athletes turn to drugs in an attempt to heighten their performance, only to realize that drugs ravage, rather than enhance, the body's performance.

I have also conducted tennis seminars for inner city youth. This experience has convinced me of a simple fact: without guidance, without a feeling of belonging and being a part of an effort toward a common goal, many of these kids are extremely vulnerable to the escapism of drugs. When they are involved, and when people are involved in **their** lives, they are fortified against that temptation. I think that athletics can help in this regard. That's why I work with kids. Don't get me wrong...I do it because I love tennis as well, but there's more a stake than a game. It all comes back to **involvement**.

There are many influences at work in getting kids-especially disadvantaged kids - to try drugs: peer pressure, an inability to comprehend a positive future, and the self-esteem that comes from having a wad of cash in your pocket. When kids face this decision about drugs, they look around, either consciously or subconsciously, and try to take stock of the countervailing influences in their life: do their parents (or parent) talk to them about drugs? What do other people they admire - teachers, friends, athletes - say about drugs?

Unless these kids sense that drugs are not cool, not acceptable, and not an avenue to happiness, we have lost the battle for their minds. That's why I support Congressman Lewis's Drug War Bond Act. I admit I'm not a policy expert. I'll leave the details of financing mechanisms and trust funds to all of you. Earlier I referred to my varied background. I am also a historian. And as a historian emphasizing black history, I am aware that a people or a nation can only overcome great obstacles when they are united.

This great obstacle of drugs is no different. Drug Bonds can play a role in reminding people that they are part of a common endeavor, sharing a common value: that life is best-lived when it is drug-free.

WRITTEN TESTIMONY SUBMITTED BY CONGRESSMAN CHUCK DOUGLAS TO THE HOUSE WAYS AND MEANS COMMITTEE, ON HR 2972, DRUG WAR BONDS LEGISLATION

APRIL 25, 1990

Mr. Chairman, I am pleased to offer testimony in support of H.R. 2972, the Drug War Bond Act. I believe that the creation of a drug war bond program would be very important for several reasons. Most importantly, the program would help provide funding for a costly struggle: the war on drugs. It would provide funds for anti-drug programs at levels above and beyond those set through the normal appropriations process. The Director of National Drug Control Policy would have the authority to reserve these funds for federal prison construction, drug education and rehabilitation programs, the hiring of additional U.S. Attorneys and additional personnel for the Drug Enforcement Administration, the Federal Bureau of Investigation and the Bureau of Alcohol, Tobacco and Firearms. We need to put some teeth behind our words of waging a winnable war on drugs.

Mr. Chairman, beyond the budgetary advantages of this proposal, the Drug War Bond Act is an excellent way to promote, mobilize, and unify public involvement in the war on drugs. Some startling statistics about substance abuse and young people were revealed before a joint hearing of the House and Senate Judiciary Committees I participated in last week.

The average beginning age of drug use is **13 years old**; for alcohol, **12 years old**. As of 1988, almost one of every five youngsters age 12-17 had tried marijuana; one of two had tried alcohol. By the fourth grade, one-third of all students have experienced peer pressure to use alcohol and other drugs.

These figures are alarming. The prevalence of substance abuse among our young people is enough to make every parent fear for the future of our children. The surroundings and situations facing kids today do not always encourage positive behavior and images.

I believe that the implementation of the Drug War Bond Act would provide a positive environment for young people to become aware of the dangers of drugs and get them involved in the government's efforts to make our schools drug-free. This program can answer the question of "What can I do?" School kids could get actively involved by raising money to buy drug war bonds through events like bake sales or car washes, much like the war bond programs during World War II.

By buying and saving these bonds, Americans of all ages can personally take part in the war against drugs. The Drug War Bond Act is an investment in the future of our children and in our future as a drug-free nation.

Thank you, Mr. Chairman.

Junior Chamber International

Office of The Secretary General

STATEMENT TO THE U. S. HOUSE OF REPRESENTATIVES, WAYS AND MEANS COMMITTEE CONCERNING "THE WAR ON DRUGS"

Seventy years ago The United States Junior Chamber of Commerce was founded as a young persons' leadership training organization. Expanding to become a worldwide organization in over 100 countries and territories, Junior Chamber International has influenced the lives of millions of people throughout the world.

Throughout the history of Junior Chamber, the members have been involved in many social issues. In the recent 20-year history of our organization, Operation Threshold, a program dedicated to reducing alcohol and drug abuse, reached more than 23 million Americans. In 1987, chapters were encouraged to sponsor "Just Say No" clubs or conduct other drug abuse programs. The Just Say No Foundation provided written information to chapters on how they could be involved.

In 1989, The U. S. Jaycees joined forces with Party Smart, Inc., providing materials and information designed to encourage responsible behavior and discourage drunk driving. Beer Drinkers of America's Party Smart materials target America's young adults, with a simple vital message, "If you're going to party, party smart." Three Ways to Keep Your Kids Off Drugs is a new program for The U.S. Jaycees. The objective of the program is to have parents learn a strategy to prevent drug abuse in their families. The program includes a video and an outline for discussion. This program addresses directly, and in the most statistically successful approach, a way to keep our kids off drugs through strong familial communication

In other parts of the world, Junior Chamber members are active in programs aimed at greater public awareness and education, as well as in working with those most at risk. In Malaysia, Jaycees worked with the government to organize a nationwide anti-dadah (drug) awareness campaign, which they intend to continue on an annual basis.

As the drug problem continues to grow, Junior Chamber International and its U.S. member organization, The U.S. Jaycees, continue to search for other avenues to become more involved in fighting the War on Drugs. Drug education among young people is an important tool in reducing drug abuse. The private sector and volunteers must work together to educate youth. Each community must constantly communicate with their youth—give them a positive support system, teach them to make responsible, informed decisions, and encourage positive self-esteem.

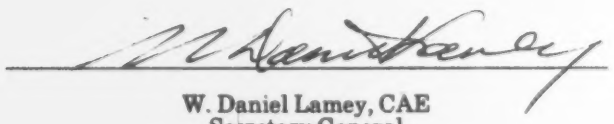
To effectively educate young people, Jaycees, as leaders in our communities, are working to educate themselves and other adults about the drug problem. Adults and youth must work in partnership with other volunteers and private businesses to win this battle. The more people understand that the problem of substance abuse is everyone's problem, the more people will join the fight. As leaders in our communities we must be positive role models for our youth and remember this as a serious obligation in our daily lives. Young people learn far more by "watching" than by "reading" or "listening."

As participants in the recent "Prevention through Service - Meeting the Challenge of the 90's" Conference, organized by the Drug Enforcement Administration, Junior Chamber International is committed to joining with other private voluntary organizations and with governmental and intergovernmental agencies, in a partnership to develop pragmatic strategies aimed at winning the war against substance abuse. We feel that pragmatic solutions will be those which build on and recognize the strengths of each partner and which are, for the most part, based on realistic objectives targeted for implementation at the local community level. The role of government should be to foster and support such partnerships. In this regard, the Drug Enforcement Administration has taken a leading role, for which it is to be congratulated.

The "War on Drugs Savings Bonds" is another creative way to mobilize the American people in the War on Drugs. We must involve the child whose future is at stake. Encouraging him or her to collect stamps through teachers at school and then redeem them for War on Drugs Savings Bonds, will teach the child responsibility and allow him or her to take an active role in the war on substance abuse. We encourage the Committee on Ways and Means and Congress as a whole, to support this effort.

Junior Chamber International and the U. S. Jaycees want to help other organizations unite and work together to win the War on Drugs. It will take a concentrated effort of all concerned, but it can be done.

Respectfully submitted on behalf of Junior Chamber International (JCI), Inc. and the United States Jaycees.



W. Daniel Lamey, CAE
Secretary General
Junior Chamber International

STATEMENT OF HELEN HAYES,
RIVERSIDE & SAN BERNARDINO COUNTY AREA DIRECTOR,
LISTEN. . . COMMUNITY CRUSADE AGAINST DRUGS
BEFORE THE HOUSE WAYS & MEANS COMMITTEE
U.S. HOUSE OF REPRESENTATIVES
APRIL 25, 1990

Today's society is saturated with the values and practices of the drug culture. It would be the worst kind of unreality to expect our children to scamper through adolescence without ever coming up against drugs. As one youngster put it, "Every kid has a drug problem the moment he leaves his front door because drugs are everywhere."

America has the highest incidence of drug use--more than any other developed nation in the world. Parents and youth leaders need to be aware of this continuing danger. Not only should drug prevention be directed toward kids but parents as well because they control the institutions and environments in which kids live.

For the last six years, I have worked as the Area Director of Riverside and San Bernardino Counties for the LISTEN. . . COMMUNITY CRUSADE AGAINST DRUGS program. This is a community supported project to help educate and inform students of the advantages of a healthful, positive lifestyle without the drawbacks of artificial dependences. Both LISTEN and WINNER have been included as useful and dependable school and community resources in the United States Department of Education's drug-prevention handbook, "What Works: Schools Without Drugs."

Last summer, I was privileged to meet with Congressman Jerry Lewis in his Washington, D.C. office and to learn of his bill, "The Drug War Bond Act." In my view, it is a tremendous way of involving everyone in this fight against drugs. I hope the Committee and the Congress will support this effort in a vigorous way.

I am a dedicated grandmother who is deeply troubled by the use of alcohol and other drugs by our young people. Never in my life have I felt so compelled to do something about an issue as I do about this one. My primary purpose in riding my bicycle across America last summer crusading against drugs was to draw attention to the problem and make people aware and get them involved. This is the goal of Congressman Lewis' drug war bond legislation: to get people--young children and adults--involved in fighting drugs. Last summer, I spoke to students and parents in schools, churches and businesses and they are looking for ways to become involved. I believe drug war bonds provide that opportunity.

Our youth are an investment in our future whether we are parents, grandparents, church leaders, counselors, teachers or business leaders. We need to do all we can to protect our nation's most valuable resource--our children. We have far too much at stake to be indifferent about drugs because every mind and every life is too precious to be wasted.

Thank you.

STATEMENT OF

THE HONORABLE SIDNEY J. BARTHELEMY

MAYOR OF NEW ORLEANS, LOUISIANA

on behalf of

THE NATIONAL LEAGUE OF CITIES

Mr. Chairman and members of the Committee, I am Sidney J. Barthelemy, Mayor of New Orleans, and First Vice President of the National League of Cities.

I am submitting this testimony on behalf of the 16,000 direct and indirect member cities and towns we represent to provide you with our views and concerns with regard to HR 2972, the Drug War Bond legislation.

Because the efforts of municipal officials in all parts of the nation constitute the most expensive and important resource in the war on drugs, we strongly support efforts in the Congress to provide additional resources to forge a partnership with us in our efforts.

Consequently, we appreciate the recognition of Rep. Lewis that current federal efforts to assist us in the fight against drugs are insufficient. However, we are concerned that HR 2972 would undermine our own efforts to fight drugs, increase the federal deficit and debt, and avoid the tough task of actually committing real, new resources to reduce drugs in our streets.

Currently, state and local governments spend approximately two and a half times as much fighting drugs as the federal government. Therefore, we are deeply concerned at any proposal which would:

* reduce state and local tax revenues;

* increase state and local capital costs for financing prisons, jails, drug treatment centers, hospitals, and other facilities critical to responding to drug and crime-related problems in our communities;

* increase the federal deficit by borrowing and imposing still greater costs on a future generation - a generation more in need of our investment than added debt burden; and

* rob Peter to pay Paul.

We would support a pay-as-you-go program which would provide direct assistance to the level of the government in the front lines in the war on drugs - but where today there is no federal direct assistance: cities and towns.

We share the Congressman's view that many Americans would like to help more to reduce the level of drugs and drug-related crimes in our communities. The way to do that is to put the price on the bill up front, not hide it. We do not believe substituting one form of addiction - to debt - for another - to drugs - will be helpful over the long term.

Impact of financing state and local efforts against drugs:

The bill proposes the creation of a new, special class of bonds to be issued to raise cash to finance further federal efforts to fight drugs. Interest on these bonds would be exempt from state and local taxes - reducing revenues to those very levels of government making the hardest effort to reduce drugs in America.

This would force cities, towns, counties, and states to raise other taxes just to keep up current efforts. This would be especially harmful in the most adversely affected drug areas - for these areas tend to have the least stable tax base and the highest local tax rates.

We adamantly oppose any proposal to reduce revenues to those units of government making the most determined effort to fight drugs.

Impact on financing anti-drug facilities:

The bill proposes the creation of still another form of federal bond issuances - bonds which would compete in an already crowded market. Like the U.S. Treasury, we believe these special purpose bonds would be viewed as a competitor - driving up the cost of issuing municipal bonds critical to the financing of jails, hospitals, schools, drug treatment facilities, Head Start centers, etc.

As we already know from the REFCORPS bonds issued to bail out the savings and loans, even very small increases in basis points on such borrowings have very large costs over the course of the borrowing. Our estimate is that on even a relatively modest **issuance in the range of $40 million** it would cost local taxpayers more than $1 million more if interest costs were forced up by as small an amount as one quarter of one percent.

Given the severe shortage of drug treatment and prison spaces in this country, we are opposed to any proposal which could drive up the costs to local taxpayers of financing such public facilities universally regarded as critical components in fighting drugs in our communities.

Impact on federal deficit and debt - and consequent impact on state and local governments:

As proposed, the Drug War Bond bill bears remarkable similarities to the savings and loan bailout. It is proposed to be off-budget and off-Gramm-Rudman, but it appears more likely than not to

increase the federal deficit and the national debt. It is framed to avoid accountability.

We are concerned about the deficit. For over a decade, we have watched the federal deficit sap the will of the federal government to make the investments necessary in families and infants to reduce the risk of drug addiction. Like the chairman, we believe a concerted effort to reduce - not increase - the federal deficit is important to any long term effort to confront drugs.

Therefore, we believe any new anti-drug effort should be:

* on budget; and

* paid for up front - not financed by borrowing.

Since we strongly support the efforts of Chairmen Rostenkowski, Panetta, and Sasser to repeal Gramm-Rudman; we do not support subjecting any anti-drug programs to a sequester. When the federal government can apply the sequester to drug addiction in our communities and drug-related crime, we will be willing to consider support for a sequester of the federal role and responsibility in contributing its share in the war on drugs. Nevertheless, we believe the language exempting this bill from Gramm-Rudman is part of the reason the law lacks credibility or authority - far more federal spending is exempt than subject to the sequester.

We note that this program is modeled after the Treasury's savings bond program. Indeed, it is viewed by Treasury as a threat to that program and consequently to domestic savings.

But we note also the Treasury's express concerns about the cost of this proposal to the federal government. Last year the savings bond program experienced a $7.6 billion loss. This new, proposed program would have start-up and administrative costs which would be substantially higher. We cannot afford such a loss, especially without any guarantee that the revenues would be spent - much less spent where they are most needed. Rather, we fear that just as with other federal trust funds any surpluses would be used to cover operating deficits, not community drug deficits.

For us drugs is an everyday casualty. It is a fiscal and human cost states and local governments have to balance on an annual basis.

We are grateful for the recognition that the existing federal role is inadequate, and we would look forward to working with the committee on any innovative approach to help respond to the number one problem in the nation's cities and towns.

STATEMENT OF

CONGRESSMAN WES WATKINS

Thank you Mr. Chairman and members of the Ways and Means Committee for the opportunity to express my support for H.R. 2972, the Drug War Bond Act.

Mr. Chairman, I have devoted my nearly 14 years in Congress to giving the people of Oklahoma's Third Congressional District a chance to build better lives. I have said many times that the formula for Oklahoma and the nation to be great is to get the greatness out of the people. It is this greatness that enables people in the Third District not only to survive in the face of tremendous challenges, but to thrive. It is this greatness that will fuel Oklahoma's progress. And it is this greatness that will lead this country to a bright future in an uncertain, fast-changing world. I am cosponsoring this legislation, Mr. Chairman, because drugs are destroying this greatness and thereby destroying our hopes and dreams for the future.

When I reflect on America's drug problem I think about what could have been. It is very frustrating to think that somewhere in this country lies buried what could have been the next Einstein, dead from a drug overdose. Maybe somewhere out there could be the person with the cure for cancer in his head, except he is busy robbing people to get money for cocaine. And I grow sad when I think about how many potential doctors, educators, business leaders, composers, ministers, authors, and statesmen that illegal drugs have denied us. I grow sad when I think about these things because history has shown over and over again that one person truly can make a difference in this world.

The human tragedy caused by drugs is bad enough, Mr. Chairman, but there is also an economic aspect to the drug epidemic. I have reflected on the fact that the world is now one huge, competitive marketplace. And there's no denying the fact that other countries are gaining on us. It is almost incomprehensible to think about what drugs have robbed from America's economy. Countless man-hours of productivity are lost. Creativity is destroyed. Businesses divert billions of dollars to such drug-related areas as health insurance, employee drug testing, employee drug treatment, and drug prevention programs. This is money desperately needed for research, development, plant and equipment, and expansion if America hopes to remain a leader in the global economy. With the passage of the Drug War Bond Act this country can do more than rid itself of drugs, it can strengthen its economy. This will mean a better quality of life for the people of Oklahoma's Third Congressional District, for all Oklahomans, and for all Americans.

This bill, Mr. Chairman, will encourage rank and file citizens to get involved in the war on drugs, which is the only way we will win it. We have all read about the drug war or seen it on television. It could be the fatal drug-related shootings in the inner city, a movie star's fatal overdose, or the little child crippled for life by a driver high on drugs. We hear about those tragedies, give thanks, and go about our business. We go about our daily lives secure in the knowledge that drugs are somebody else's problem. And then perhaps we find out that the little girl who will be a paraplegic the rest of her life is the daughter of someone we know. And then we ask how can we help to make sure a tragedy like this never happens again.

Mr. Chairman, there is no question about the fact that the criminal justice system cannot win the drug war for us. I support the Act because it is a way to turn apathetic bystanders into active

participants in the war on drugs. History has shown time and again that when the American people are united, anything is possible, including a challenge as big as a victory in the war on drugs.

Of course the main issue in this bill, Mr. Chairman, is money. There is no question that every aspect of the nation's fight against drugs is underfunded and overburdened. Oklahoma, for example, ranks fourth in the nation for the number of clandestine labs that make methamphetamine, known on the street as "crank." Most of these crank labs are booby-trapped and operated by heavily armed individuals, some of whom are high on the very drug they are making. Those are pretty tough odds for a county sheriff with only five or six deputies to face. And it can never be emphasized enough, Mr. Chairman, that drugs have filled the nation's jails and prisons beyond capacity, taxed the nation's court system almost to the breaking point, and made treatment centers a booming growth industry. With the Drug War Bond Act of 1989 we can begin turning the tide.

I applaud this legislation, Mr. Chairman, because it contains an innovative strategy for solving an extraordinary problem. It is a pay-as-you-go plan that provides badly needed funds while not adding to the massive federal budget deficit, something that is almost as much of a threat to this country's future as drugs.

I also applaud the bill because it calls for a comprehensive approach to spending the money it would raise for the war on drugs. In my view, we will not win the drug war by allocating most of our time, money and manpower on headline-grabbing drug busts. The key to stopping the flow of drugs into this country is to stop the demand. Knowledge will be the weapon of victory. Educating the American people on a scale never seen before and getting them involved in the fight is how we will win the war on drugs. The Drug War Bond calls for this strategy.

I realize we cannot do it overnight, Mr. Chairman, but I have faith that we can do it. We have seen, for example, that through persistence over time America is winning its battle with cigarettes. We can use the same strategy with drugs.

Mr. Chairman, I am pleased and proud to cosponsor the Drug War Bond Act of 1989. I commend my colleague Representative Jerry Lewis for the tremendous time, effort and dedication he has shown in authoring this important piece of legislation. I close, Mr. Chairman, with an appeal to you and the members of the committee that you put this legislation on a fast track. There is no question that each day we can save in passing this bill will mean lives saved. This nation has a long fight ahead of it. Someone once said that the journey of a thousand miles begins with the first step. Let us take that first step today.